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NEWS SUMMARY

GENERAL

Israel lifts ban on land buying

Israelis will be allowed to buy land in the occupied West Bank and Gaza Strip, the Israeli Government has ruled.

The move reverses the law forbidding private Israeli citizens from land purchase in the area which is destined to become an autonomous Palestinian region under the Camp David peace treaty.

It appears unlikely, however, that many Palestinians would be willing to sell. Jordan, which formerly ruled the West Bank, regards the sale of any West Bank land as a capital offence. Page 2

Labour struggle

Left-wing activists are pressing for representatives of local constituency parties to play a full part in the proposed inquiry into the Labour Party's structure and organisation. The move is the latest in the struggle between Left and Right for control of Labour. Back Page

President quits

Afghanistan's First Minister, Hafizullah Amin, has taken over leadership of the country from President Noor Mohammed Tarraki because of Tarraki's poor health, Kabul Radio reported.

Botha backlash

South African Premier Pieter Botha today faces a right-wing backlash within the ruling National Party against his administration's cautiously reformist approach when he opens the party's Transvaal Provincial Congress. Page 2

Pope's venue

The key address of Pope John Paul's visit to Ireland at the end of the month is expected at Drogheda, 30 miles south of the Ulster border.

TV plan backed

The Independent Television Companies' Association welcomed Home Secretary William Whitelaw's framework for a fourth television channel, and backed his rejection of competitive advertising to gain revenue.

UN man quizzed

United Nations diplomat Prince Alfred Zur Lippe-Weissenfeld arrived in Geneva to discuss with senior officials how he acquired valuable antiques seized from his Nicosia home by Cypriot police.

Rugby threat

Anti-apartheid campaigners have threatened to place "under siege" the South African Barbarians if the Government allows the rugby team's planned tour of Britain to go ahead.

Tennis death call

British Davis Cup tennis champion Paul Hutchins disclosed in Rome that there had been anonymous threat against the life of a member or members of his team. Britain lost the European zone A final 4—1 to Italy. John Barrett, Page 17

Briefly . . .

Bombs badly damaged two Government buildings in Paris, but no casualties were reported.

Eight East Germans—four of them children—fled to West Germany in a hot air balloon.

London Mercantile Holdings chairman Godfrey Bradman has given £13,500 to World Vision for its Vietnamese boat people rescue mission.

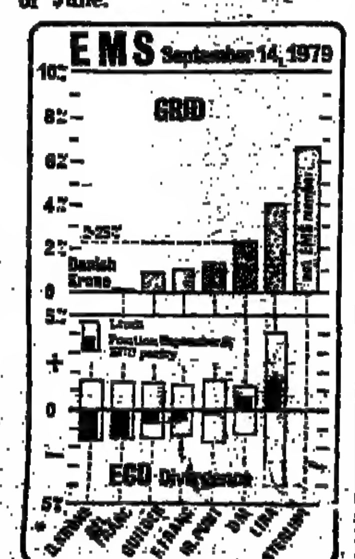
Remains of Duchess of Nemours, a first cousin of Queen Victoria, have been exhumed from a church in Weybridge, Surrey, and taken to France.

John Pritchard is to succeed Sir Charles Mackerras this autumn as chief guest conductor of the BBC Symphony Orchestra.

BUSINESS

Danish move to aid krone

● **THE DANISH National Bank has raised its discount rate by 2 per cent to 11 per cent from today in an attempt to relieve the pressure on the krone in the European Monetary System. Substantial support was given to the Danish currency by the Danish Central Bank and the German Bundesbank during the week as the krone fell below its lowest permitted limit against the D-mark under the terms of the EMS. Other members continued to suffer from the strength of the D-mark. Paris interest rates rose sharply as a result of action by the Bank of France, and on Friday the French authorities sold D-marks and dollars to defend the franc. Rumours of an impending revaluation of the D-mark within the EMS contributed to a sharp fall by sterling, which declined to its lowest level since the end of June.**



The chart shows the two constraints on exchange rates within the European Monetary System; the "grid" of cross rates from which no currency (except the lira) may move more than 2¼ per cent; and the varying degrees by which each currency may diverge from its "central rate" against the European Currency Unit (ECU), itself a basket of European currencies. The "grid" is always shown by reference to the weakest currency in the system, which is the base line in the top chart.

● **OECD** should take a leading role in the development of international accounting standards, according to the report of an inter-Governmental working party which will be discussed at an OECD meeting in Paris this week. Back Page

● **PUBLIC SECTOR** share of expected total output over the next 18 months is likely to show little change from current levels, when expenditure plans for 1980-81 are revealed in the next two months. Back Page

● **SHARP** divisions among industrialists over the impact of the Government's economic policies on business prospects are emerging among ersolutions being lodged for the CBI's annual conference in November. Back Page

● **GROWING LABOUR** shortages are the main reasons for the UK's low industrial output, with North Sea oil and gas the only real growth areas, a manufacturing report on South-East England warns. Back Page

● **AGRICULTURAL** engineering industry and the Department of Industry have agreed a £1m project to develop a medium-sized farm tractor in Britain. Back Page

● **LONDON's** dockland development plan for the establishment of an urban development organisation has been criticised by leading Labour politicians as likely to cause delay and discourage iinvestment. Page 4

● **CIVIL SERVICE** unions have told their Defence ministry members not to co-operate in manpower cost studies by the department. Page 4

● **EUROPEA NMANAGEMENT** Cup was won in Paris by an Irish champion team from Irish Cement. Page 2

CONTENTS

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Nkomo says Front may accept reserved seats for whites

BY BRIDGET BLOOM AND MICHAEL HOLMAN

The Patriotic Front is prepared to accept British demands that Rhodesia-Zimbabwe's 250,000 white minority should have specially reserved seats in a new Parliament. But there are signs that the Muzorewa Government is itself divided on this issue.

On the eve of the second week of the Lancaster House talks Patriotic Front co-leader Mr. Joshua Nkomo declared that his party was in principle opposed to special privileges for whites. For this reason, he said, the Front's outline constitution submitted to the conference on Friday contained no such provisions.

But if in the current constitutional negotiations Britain "wants to introduce racism" by insisting that the white minority should have reserved Parliamentary seats, "then they will have seats," Mr. Nkomo said.

Mr. Nkomo's remarks were made a few hours after Bishop Abel Muzorewa, leader of the Salisbury delegation to the talks, had given Rhodesian whites a broad hint that his delegation, too, was prepared to make compromises on a future constitution.

Under a direct black leadership, he said in a radio broadcast to Rhodesia, whites had nothing to fear. The example of Kenya showed that what whites "considered as safeguards were not really important after all."

However, hopes that the second week of talks in Lancaster House might see agreement on a constitution were severely tempered last night by the fundamental differences which remained between the two sides.

Mr. Nkomo reiterated yesterday the Front's insistence that agreement on transitional arrangements leading to independence were quite as important as agreement on a constitution.

The Front is to submit a paper this week detailing many of its ideas for this period, which include a UN military force, conducting by UN personnel of new elections, and UN co-operation with a broadly based political governing council, probably under British chairmanship.

In a further compromise, Mr. Nkomo indicated that the Patriotic Front would not demand that its guerrilla forces be in control during the transition.

It had to be recognised that there were two armies, and it would be necessary, he said, to "neutralise both." This could best be done by a "neutral body of men" such as the UN could provide. This force would work under the governing council, which would have all-party representation.

There was no immediate reaction to these proposals from the Salisbury delegation. But in his weekend broadcast Bishop Muzorewa had repeated his "strong reservations" about even discussing, let alone agreeing, to interim arrangements.

"We will not discuss issues that are non-starters, such as our security forces, our military or our police," he said.

Clearly there is an element of tactical manoeuvring by both delegations as they face up to what could be the most critical week of the British settlement attempt.

The Patriotic Front, the alliance between Mr. Nkomo and Mr. Robert Mugabe, has maintained a joint negotiating stance. Bishop Muzorewa, by contrast, has had to cope with the pressures of an increasingly divided delegation.

It became clear over the weekend that while the majority of the Bishop's black colleagues would welcome some constitutional changes, at least those proposed by Britain, former Prime Minister Mr. Ian Smith continues to insist on maintenance of the white Parliamentary and political power entrenched in the present Rhodesian internal settlement constitution.

As one member of the Salisbury delegation put it at the weekend: "There are two sets of London negotiations. One here at our hotel and the other in Lancaster House.

"Until the first is resolved—and Ian Smith is as key a figure as he ever was—Lancaster House won't make much progress."

Talks today on Britain's EEC payments burden

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT,

BRITAIN WILL urge its EEC partners today to decide soon on measures to achieve a rapid reduction of the mounting deficit on its contributions to the European Community budget.

Sir Geoffrey Howe, Chancellor of the Exchequer, will tell other EEC Finance Ministers in Brussels that there can now be no denying that there is a substantial gap between what the UK pays to Brussels and the sums it receives in the shape of Community spending.

The Chancellor will emphasise that his Government's own calculations are backed up by a new report from the European Commission. This forecasts that Britain's net budget contributions will exceed £1bn next year, making it by far the biggest net contributor.

Farm prices

The Finance Ministers are also due to discuss the operation of the European Monetary System (EMS) which is supposed to be reviewed formally this autumn.

Britain's net budget payment next year may be swollen further by the rise of almost 14 per cent in EEC agricultural spending resulting from last summer's farm price settlement.

Although the UK is a heavy contributor towards its cost it will receive only a small fraction of the benefit, most of which will go to France and Germany.

Sir Geoffrey is expected to face a sceptical audience, however. France, in particular, has indicated that it intends to take a hard line over Britain's demands, and will strongly resist any move that might jeopardise EEC farm spending.

North Sea oil

In recent bilateral discussions with the British Government, the French authorities are understood to have made clear that they are reluctant to offer any budget concessions unless the UK is prepared to grant France privileged access to North Sea oil. However, that possibility has been ruled out by Britain.

It is doubtful, too, how far Germany will be ready to go in advance of next year's elections to seek budget reforms, which would inevitably cost Germany more.

Sir Geoffrey will probably be pressed to outline some proposed changes himself. The Government has been unwilling to do this so far, arguing that it is up to the European Commission to make the necessary recommendations.

Until now, the furthest Britain has been prepared to go has been to insist that the eventual solution found must take effect immediately, last for as long as a sizeable imbalance exists in its EEC payments and operate on budget spending as well as contributions.

Drawing up

No firm decisions are likely to emerge from today's meeting, which is intended to guide the European Commission in drawing up specific proposals for budget reforms. These will be discussed by EEC government leaders at their next summit in Dublin at the end of November.

The ministers will also seek to align their positions before the annual meeting of the International Monetary Fund in Belgrade in 10 days' time.

Britain's share of the EEC budget, Page 18

U.S. turns down Chrysler's formal request for $1.2bn aid

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

THE U.S. Government has dismissed as "way out of line" Chrysler's first, formal request for $1.2bn (£570m) in immediate and stand-by federal loan guarantees.

However, both Mr. G. William Miller, the Treasury Secretary, and Mr. John Riccardo, the ailing car company's chairman, held out the hope that further negotiations would be successful.

Major issue

Mr. Miller made it clear that the Government's commitment to Chrysler would be held to well below $1bn and that the company would have to improve other aspects of its "preliminary" plan before agreement could be reached.

In another major issue involving the car industry, administration officials have expressed relief that the economy, already in the throes of a recession, would not be further damaged by a protracted strike by the car workers' union against General Motors, the leading manufacturer.

The union and GM reached a tentative wage settlement late on Friday night, only hours before a strike deadline was reached. Details of the new contract have not been released, but Mr. Alfred Kahn, President Carter's chief inflation fighter, said that, by itself, "avoiding a strike is clearly a good thing for the economy in the long run."

The size of the settlement will obviously have an impact on the Administration's new wage and price guidelines, which it now says it will present to the nation later this month.

GM contract

It has been clear for some time that, with inflation running at more than 13 per cent a year, the old standards, calling for observance of a 7 per cent plus wage ceiling, are out of date. Nevertheless, the inflationary impact of a substantial car industry settlement may be considerable.

The GM contract, which is to serve as the model for the rest of the industry, also has implications for the financial position of Chrysler, though Mr. Riccardo declined to speculate on this at a Press conference he held with Mr. Miller on Saturday.

Chrysler seeks $500m in immediate federal loan guarantees and a further $700m in stand-by guarantees. Significantly, it did not request special tax treatment for the company, which Chrysler had previously insisted was essential but which Mr. Miller had also previously rejected out of hand.

These guarantees, Chrysler said, were necessary to cover losses which it estimated at $1.073bn this year—a sharp increase on earlier projections—and a cash shortfall calculated to be $2.1bn over the next three years.

Forecasts

The company said it should be able to raise $900m of this sum through the sale of assets in the U.S. and overseas and as a result of its present retrenchment programme.

Its latest forecasts, on top of this year's loss, are for a deficit of $482m in 1980, but a return to profits, estimated to be $393m in 1981. In envisages complete repayment of all federally guaranteed loans by 1985.

Boost for wealthy under Labour

By Peter Riddell, Economics Correspondent

THE distribution of personal wealth in the UK became more unequal under the last Labour Government than had previously been believed.

This is indicated by Inland Revenue Statistics for 1979, published this morning. The figures also show the relatively small number of people paying tax at the top marginal rates before the Budget changes.

The most wealthy 10 per cent of the adult population increased their share of total personal wealth from 57.5 to 61.1 per cent between 1974 and 1977. At the same time the share of the least wealthy 50 per cent fell from 7.1 to 5 per cent.

DISTRIBUTION OF PERSONAL WEALTH

Percentage of total wealth in UK owned by most wealthy sections of adult population

Most wealthy %	1971	1974	1977
1	30.5	22.5	24.0
2	38.7	29.6	32.2
5	51.8	43.1	46.4
10	65.1	57.5	61.1
25	86.5	83.6	83.9
50	97.2	92.9	95.0

Source: Inland Revenue Statistics

This was in contrast to the period of Conservative Government in the early 1970s when the distribution of wealth became slightly more equal.

The paradox can be partly explained by the sharp fall in ordinary share prices in 1973-1974 and the subsequent big recovery in 1975-76. This is because only the richest few per cent of the population have significant holdings of ordinary shares.

The new 1977 estimates confirm the findings of the recently wound-up Diamond Commission on the Distribution of Income and Wealth, whose figures went up only to 1976. Those showed that, while the share of wealth of the top 10 per cent had stopped declining since the mid-1970s, there had still been a very large fall in the last 20 years.

The estimates are based on capital transfer tax statistics which do not include the values of accrued pension rights or other non-marketable assets.

The new statistics also show that only 36,000 married couples or single people were liable to income-tax at a marginal rate of 83 per cent in 1976-77. This

Continued on Back Page

Oil effects worse than feared—IMF

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

THE GOVERNMENTS of the major industrialised countries have little alternative but to continue to employ the same policies which have, over the last three years, failed to improve the global economic position, the International Monetary Fund has concluded in its annual report, published in Washington yesterday.

They will have to do so in a markedly deteriorating economic climate. The IMF finds that the impact on both inflation and growth of this year's round of oil price increases has been greater than previously estimated.

It is widely felt that the economic calculations contained in the annual report, which was drawn up in mid-summer, may already be outdated. The IMF's board met last week to consider a draft report on the world economic outlook which will be presented to the annual meetings of the IMF and the World Board in Belgrade at the start of next month. This one, it is understood, is even more pessimistic than the report released yesterday.

The IMF baldly states that the "gradualist" approach it has prescribed since 1976 has been "too gradual."

The reasons for the failure are many, the report says, "but perhaps the basic one has been the pursuit of policies that have failed to make a dent in inflationary expectations." The IMF does not blame specific countries, however, beyond the rather mild remark that, with hindsight, it is clear that the U.S. was too slow in withdrawing the stimulus it applied after the 1974-75 recession.

It would be helpful, the IMF recommends, if the major industrialised nations co-ordinated their economic policies more carefully.

Greater efforts need to be made on energy conservation, improving industrial productivity and on structural problems such as unemployment, which no longer respond to macro-economic initiatives.

Where there is conflict between fiscal and monetary policies, the IMF argues, tight

Continued on Back Page

Ministers meet

Finance Ministers and central bank governors from the five major industrialised countries met in Paris yesterday in conditions of the utmost secrecy, in preparation for next month's International Monetary Fund/World Bank meeting in Belgrade.

The sharp worldwide rise in interest rates, the soaring gold price and plans to dilute the U.S. dollar's reserve role were the main topics in the talks, bringing together the U.S., Britain, West Germany, France and Japan.

Strike talks begin

BY PHILIP BASSETT, LABOUR STAFF

THE TWO sides in the engineering dispute meet today with the Advisory, Conciliation and Arbitration Service. The industry's third two-day strike over pay was due to begin this morning.

The response to today's action is likely to be important to the outcome of the meeting. It has been called by ACAS to see if an agenda for a more formal meeting can be agreed for Wednesday.

Attention is expected to focus particularly on Rolls-Royce, where the management has said it will lay off its 30,000 manual workers indefinitely if they fail to turn up for work today and tomorrow.

Neither unions nor management were predicting with confidence what was likely to happen. One senior company official said that so many workers were faced with divided loyalties that it was impossible to estimate the response.

The dispute is over a union claim for a national minimum craft rate of £80 a week, one hour off the working week this year, two days' extra holiday, and a common implementation date for the agreement.

The main union involved, the Amalgamated Union of Engineering Workers, opens a two-day national conference of its four constituent sections today at Eastbourne. It is expected to be dominated by discussion on closer links between the sections.

More at stake than a strike, Page 19

Hong Kong growth forecast at 12 per cent

BY PHILIP BOWRING IN HONG KONG

Hong Kong's gross domestic product is now likely to grow by 12 per cent in real terms this year compared with an *original estimate of 7 per cent*, according to Mr. Philip Haddon-Cave, the Financial Secretary.

This would make the fourth successive year that growth has been in double figures. But this year, inflation will also be in double figures, with latest estimates of consumer prices rising 11 per cent and prices overall by 14 per cent.

The better than expected growth rate has been made possible largely by a dramatic 6.4 per cent increase in the population, compared with an expected 2 per cent due to the newcomers, from China and Vietnam.

The additions to the work-force helped manufacturing industry meet a sharper than expected increase in export demand, particularly from the UK and West Germany, where first half sales showed increases in real terms of 42 per cent and 28 per cent respectively. These have more than offset weakness in the U.S. market.

Overall domestic exports are *now expected to rise 13 per cent* in real terms, and re-exports at 27 per cent.

Imports, according to Mr. Haddon-Cave, are likely to rise less quickly, leading to some improvement in Hong Kong's currently very large merchandise trade deficit.

Exports have been helped by the sharp decline in the Hong Kong dollar and reduced pressure on wages as a result of the labour inflow.

Mr. Haddon-Cave criticised the inflow as impeding adjustment and elimination of excess demand, but without it the badly needed shift of resources to exports could not have taken place. Domestic demand has remained at a very high level, fuelled by 40 per cent plus rate of bank lending increases.

The tenor of Mr. Haddon-Cave's speech was generally more optimistic than of late, suggesting that the economy is on the way back to equilibrium after a period of rapid inflation and currency weakness.

However, he glossed over the chief economic topic here at present—the banking sector and the continuation of large month-to-month lending increases.

Many had been expecting the announcement of new liquidity and other provisions for banks and deposit taking companies. But these are still under review.

Botha faces right-wing backlash at congress

BY QUENTIN PEEL IN JOHANNESBURG

Only days before the first anniversary of his election as South African Prime Minister, Mr. P. W. Botha is this week facing a crucial test of his authority within the ruling National Party.

The coming week is likely to decide whether he can head off a growing right-wing backlash within the party against the cautiously reformist approach of his administration.

Tonight Mr. Botha opens the Transvaal Provincial Congress, representing not only the largest wing of the party, with almost half its MPs, but also its conservative heart.

He faces an audience both worried and confused by the talk of policy changes given by Mr. Botha and his senior Ministers, and bitter about the loss of electoral support in recent by-elections, both to the left and, more significantly, to the right.

Key issue: at the congress will be the proposed changes in labour laws, to allow more *rights and mobility for black* workers, changes in sports policy, allowing racially-mixed games between schools, and possible consolidation of the homelands, absorbing more white farmland.

The reformist tone of Mr. Botha's administration, even though its actions have been extremely cautious, has encouraged a conservative backlash. The extreme right-wing *Herstigte Nasionale* party has picked up significant support in recent by-elections, with several more to come. Dr. Connie Mulder, the disgraced former minister of information, and leader of the national party in *the Transvaal*, is actively canvassing for the creation of a new conservative alliance.

So far, Mr. Botha has stubbornly stuck to his new terminology. He has spoken of the *threat of* revolution if there is no internal accommodation, but declined to spell out the details *of his new direction. He has yet* to win any significant support from the left of the party for his vague promises, but he has lost ground to the right.

Nevertheless, although the *new direction* is being pushed by a minority of the ruling party—its intelligensia, newspapers, and business supporters—Mr. Botha is still in a strong position.

Africaaner unity remains a basic tenet of the *National* Party, with a memory of power lost through deep divisions in the past. His arch rival, Dr. Andries Treurnicht, Dr. Mulder's successor as Transvaal leader, is still unsure of his position, and apparently *willing* to bide his time.

Mr. Botha, as Defence Minister, also represents the military establishment, and will undoubtedly emphasise the international pressures on South Africa as a means of reunifying his party.

One of the Prime Minister's key allies, Mr. Pik Botha, the Foreign Minister, emphasised the defence question again at the weekend, in response to Zambian accusation of cross-border raids by South African troops.

"The violence on the borders can come to an immediate end the moment these states refuse sanctuary to the terrorists," he said.

South Africa had complained to the UN about 90 alleged violations of the Namibian border by guerrillas operating from Angola.

The growing violence in Namibia (South West Africa) was underlined on Saturday night by a big bomb blast at a petrol station in the black township outside the capital, Windhoek. No casualties were reported, but extensive damage was caused in what was the fourth explosion in Windhoek in the past year.

Mr. P. W. Botha

Attitudes harden in Rotterdam port strike

By Charles Batchelor in Amsterdam

THE STRIKE of tugboat crews and dockers which has severely hampered cargo movements in the port of Rotterdam for the past 3½ weeks shows no signs of coming to a speedy end. The strikers' attitudes hardened over the weekend, with both groups calling at separate meetings for an extension of the strike.

The stoppage, involving about 500 men manning tugs belonging to the port's largest operator and more than 7,000 dockers, has badly hit general cargo unloading in the inner port basins. Many vessels have been diverted to other ports and others have been forced to negotiate the 12-mile-long estuary without assistance.

More than 300 of the tugboat men yesterday decided to extend their action. The committee co-ordinating the dockers' strike was due to meet yesterday evening to decide on further moves after a mass-meeting of 2,500 dockers voted to extend the strike on Saturday.

The strike, the most bitter in recent Dutch labour history, has provoked scuffles on picket lines and has brought *calls for tougher action by the* police to prevent violence. Offers of mediation by the Socialist Mayor of Rotterdam and from Mr. Wim Kok, the leader of the FNV trade union federation, have been rejected.

Grain stocks at four-year low

WASHINGTON — World grain stocks will fall to the lowest level in four years by June 30 next year, according to a Government report released yesterday.

The U.S. Agriculture Department report predicted that world grain stocks would drop to 189m metric tons on that date, well below the 227m tons at the end of June this year.

"The world grain outlook has tended towards slightly smaller supplies. With continued strong demand worldwide, stocks are forecast to decrease slightly more than indicated in August," the report said.

It adds that world grain production in the 1979-80 crop season would fall to 1.38bn tons from the record of 1.44bn tons produced in the preceding.

While grain output would increase this year in the U.S., crops in the Soviet Union and India have been badly damaged by adverse weather.

The Department predicted that world grain trade would set a record, exceeding 200m tons in the 1979-80 season, because of strong overseas demand.

World wheat production was now expected to total about 400m tons, down slightly from the last estimate, but still the second largest crop on record, it said.

World coarse grain production would total 729m tons this season, off from last year as a result of smaller crops in the Soviet Union, western Europe, Canada and Australia, the Department said. Reuter

Ireland wins management cup

THE EUROPEAN Management Cup was narrowly won in Paris this weekend by the national champions of Ireland, a team of six accountants and planners from Irish Cement, Michael Dixon writes. The winners finished the two-day, computer-based contest with a profit of £5.4m—only £51,000 ahead of the Swedish national team.

France, the previous European champions, were knocked out in the semi-final by Neil Tomkin, the UK title-holder, who played single-handed. In the final, Mr. Tomkin, profit improvements manager of Rank Xerox, could manage only fourth place behind the Danish national side. The contest was the seventh European management championship in the series which developed from the national competitions originated in 1970 by the Financial Times.

Australian poll

ADELAIDE — A powerful swing by South Australian voters to the Liberal Party looked like ending 10 years of Labor Government in the state yesterday. The snap election was called by the Labor Premier Mr. Des Corcoran who took over as Premier last February, succeeding Mr. Don Dunstan, who resigned because of ill health. Reuter.

Rupee rate.

NEW DELHI — India yesterday raised the value of the *rupee by 1.4 per cent against* the pound. The new rate, set by the Reserve Bank of India is 17.75 rupees to the pound against the former rate of 18 set on July 19 when the rupee was devalued by 1.39 per cent. Reuter.

Israeli cabinet agrees to West Bank land sales

BY DAVID LENNON IN TEL AVIV

THE ISRAELI Government decided yesterday that *Israelis* will be allowed to buy land in the occupied West Bank and Gaza Strip, which are destined to become a Palestinian autonomous region under the Camp David peace accords.

At the same time, the Cabinet stated that this would not entitle the purchasers to build Jewish settlements on the land without Government permission.

The reasons for the decision were not immediately known, and it appears highly unlikely that many Palestinians would be willing to sell. Jordan, which formerly ruled the West Bank, regards the sale of any land there to *Israelis as a capital* offence.

There have been some cases where land was sold to public institutions by West Bank people who then emigrated to avoid the wrath of their fellow Palestinians. *Until now*, private Israeli citizens were prohibited from buying land in the occupied territories.

The Government is facing increasing pressure from Jewish settlers to expropriate more land for them. Settlers whose villages were built in the midst of privately-owned Arab land have been most vociferous in demanding that land be made available.

The Cabinet also rejected an appeal by Prof. Yigael Yadi, the Deputy Prime Minister, against a recent Cabinet decision to build two new Jewish settlements on the West Bank.

It was announced yesterday that work *had been completed* on an approach road to a new settlement east of Jerusalem and that a number of caravans had been moved on to the site. *The settlement is being built* on land seized from the Arab village of Anata. The High Court yesterday rejected an appeal by the Palestinian villagers against the expropriation of the land.

Meanwhile, the police announced that they had detained one Arab in Jerusalem in connection with the murder on Saturday night of an Israeli whose car broke down in Arab East Jerusalem. The police say they are certain the shooting was the work of Palestinian guerrillas.

Jurek Martin adds from Washington: A decision on the possible joint production by Israel and the U.S. of fighter aircraft will be taken in the next two to three months, Mr. Ezer Weizman, the Israeli Defence Minister said here.

After talks with U.S. officials, principally Mr. Harold Brown, the Secretary of Defence, Mr. Weizman denied that Mr. Brown had told him that the U.S. would back such a proposition. He also refused to comment on *which aircraft might be involved*, though speculation here has centred primarily on the F-16 and F-18.

Mr. Weizman also confirmed that Israel was asking the U.S. for $1.8bn in assorted military aid in the ext fiscal year, a sharp increase on the existing $1bn programme. But he added that he did not expect to get all of the increment. Israel, he argued, had not come up *with a new arms shopping list* over and above what he had discussed with Mr. Brown last February.

PLO hopes rise for Spanish recognition

BY DAVID GARDNER IN MADRID

MR. YASSIR ARAFAT, chairman of the Palestine Liberation Organisation (PLO) *left Madrid* visibly satisfied with the results of his official visit.

In the short term Spain is likely to raise the PLO delegation here to full diplomatic status. Much significance was attached during the visit to a flag-raising ceremony at the PLO offices, and to Mr. Arafat's being permitted to fly the Palestinian flag on the official car loaned him by Sr. Adolfo Suarez, the Spanish Prime Minister.

Both sides stressed the special relationship between Spain and the Arab world, while Mr. Arafat said that Spain was a *key bridge in the dialogue* opening between Europe and the Arabs.

The Spaniards are satisfied that the initiative has immeasurably strengthened their negotiating hand with Arab countries and that this will pay off in both diplomatic and economic terms.

Reuter adds from Rabat: Mr. Arafat was reported to be undertaking a mission of mediation in the Western Saharan conflict during his visit to Morocco. On arrival, Mr. Arafat said only that his visit was part of consultations with Arab States about the present situation in the Arab world.

Yassir Arafat

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CONTRACTS AND TENDERS

هكذا من الاصل

WORLD TRADE NEWS

Across the board import curbs urged for Britain

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

IMPORT CONTROLS should be non-selective and achieved either by imposing a uniform tariff or by auctioning such foreign exchange as can be afforded for imports, according to Mr. Wynne Godley, a leading Cambridge economist.

Mr. Godley, the director of the Department of Applied Economics at Cambridge, has been one of the leading advocates of protectionism in the UK. He defines his position in an article in the latest edition of stockbrokers Vickers da Costa's regular British economy review.

He maintains a total opposition to ad hoc protectionism in the form of quotas or tariffs imposed selectively to protect companies and industries that are failing, particularly if such a policy is adopted in the context of general stagnation and in isolation from a coherent macro economic strategy to achieve full employment. He regards "most of the arguments habitually used against this kind of protection as valid ones."

Instead his main propositions are that under any strategy imports must be kept to what the country can afford. If the adverse trends in UK trade continue without remedial intervention, the only way of doing this will be progressively to deflate the economy.

However, if action is taken to reduce the UK's propensity to import below what it otherwise would have been, but not the total level of imports, then domestic demand can be permitted to expand within the limits of productive potential. This would avoid chronic recession and growing unemployment.

SHIPPING REPORT

Shorter-haul inquiries increase

BY LYNTON McLAIN

THERE WAS a marked acceleration of interest in the oil tanker and bulkcarrier trades last week, although 12m deadweight tons of supertankers still awaited cargoes in the Gulf.

There was an increase in the number of inquiries for tankers for use on shorter-haul trade routes. The Mediterranean, West Africa and the Caribbean loading areas all had active trading. A 130-000-ton tanker from the eastern Mediterranean to Italy gained Worldscale 125.

For tonnage loading out of West Africa, Worldscale 165/170 was the going-rate for discharge in the Mediterranean and the UK/continent zone.

However, in the Gulf brokers forecast that considerable demand would be needed to absorb the excess tonnage. An average of 1m tons of oil cargo will have to be available each day for shipping until the end of September to provide sufficient work for the tonnage now laid up.

Nevertheless, the rates for very large crude carriers in the Gulf remained stable compared with the previous week. VLCCs gained Worldscale 57½ for discharge in the west and for eastern destinations smaller VLCCs gained Worldscale 65 rates. An 80,000-ton vessel was chartered at Worldscale 115.

In most markets, there was an upsurge in the number of charterers seeking period charters, although only a small number reported long-term agreements last week.

On the bulk carrier markets, reports from the U.S. suggest that Russian grain purchases for next year may be about 30m tons. In the raw materials trade, fewer ore and coal vessels were chartered, although the general level of inquiry remained stable.

World Economic Indicators

RETAIL PRICES

					% change over previous year	Index base year
	Aug '79	July '79	June '79	Aug. '78		
UK	230.9	229.1	219.6	199.4	+15.8	1974=100
	July '79	June '79	May '79	July '78		
W. Germany	152.8	151.6	150.8	145.9	+4.7	1970=100
U.S.	218.9	216.6	214.1	196.7	+11.3	1967=100
France	222.1	219.2	217.4	201.3	+10.3	1970=100
Holland	125.3	124.9	124.9	120.7	+3.7	1975=100
Italy	153.3	151.9	150.4	133.4	+14.9	1976=100
Belgium	133.8	132.7	132.0	127.7	+4.7	1976=100
	May '79	Apr. '79	Mar. '79	May '78		
Japan	127.8	125.7	124.0	123.2	+3.1	1975=100

THE IMF ANNUAL REPORT

Call for 'gradual' but not 'too gradual' approach

WHAT FOLLOWS is the "key issues of policy" section of the first chapter of the International Monetary Fund's annual report, dealing with developments in the world economy.

AT THE end of 1978, worries were being felt in many quarters about the international energy picture over the longer term and about fundamental aspects of economic performance, including high inflation, sluggish economic growth, under-utilisation of resources, periodic instability of foreign exchange markets, the difficult situation of the non-oil developing countries, and the spread of protectionist trade measures.

To these factors has been added the steep run-up in oil prices during 1979. The current environment of great uncertainty clearly foreshadows a period of severe strains in the world economy, emphasising the need for policies to deal with them. ...

Of key importance in this regard will be the character of domestic economic policies pursued in the industrial countries. The present array of problems confronting national authorities in the industrial world precludes simple prescriptions offering promise of early success, but rather points to the need for the pursuit of a many-sided strategy of policy in a medium-term framework . . .

The basic approach must be a "gradual" one, but not "too gradual." It calls for determined and skilful use of the traditional monetary and fiscal instruments, combined with the application of suitable incomes policies (EMG to prevent oil price increases and other external cost pressures from entering into the indexation, formal or de facto, of wages and other incomes) and increased emphasis on measures to effect structural adjustments and improve supply capabilities, including adaptation to the lower availability and price of energy.

Obviously a strategy of policy along these lines will be difficult to implement—it will require courage and perseverance so as to elicit public support for national economic policies and, above all, to reduce inflationary expectations.

The international setting in which industrial countries will be conducting their domestic economic policies is in the process of changing substantially. At the beginning of 1979 the growth of total output in these countries, after proceeding at a pace of 4 per cent in each of the two previous years, was expected to decline moderately because of an economic slowdown in the United States, a slowdown that was sought by the U.S. authorities and welcomed internationally in view of the need to curb domestic inflationary pressures. Now, it seems clear that the decline in output growth will prove to be much sharper than had been generally expected.

Two developments are important in this respect. First, the oil price increase since the end of 1978 may be expected to have a generally depressive effect on economic growth, both directly through their deflationary impact and indirectly through their intensification of the inflationary process. Second the course of real Gross National Product in the United States during the first half of 1979 has turned out to be quite weak. . . .

Such a situation raises a number of important policy issues. In the first place a U.S. recession (whatever its duration or severity) could not be "offset" in the other industrial countries. In general, their economies are not buoyant and, because of either the fact or the threat of inflation, they would not be in a position to adopt significantly more expansionary policies in the endeavour to compensate for a recessionary development in the United States, although they could reasonably be expected to maintain their growth rates as much as possible.

As for the United States itself, a "cooling-off" period of very low growth of output or of declining output would serve to dampen inflationary pressures, but it would not permit any lowering of the priority that has been accorded by the U.S. authorities to the reduction of inflation in a medium-term context.

Indeed, policies to counter recession would need to be very cautious. On the external side a flattening out or decline in U.S. economic activity would have a positive impact on the current account balance through an easing of the demand for imports. However, the impact on the overall U.S. balance of payments and on the effective exchange rate for the dollar would depend also on the extent to which changes in relative monetary conditions affected capital account positions.

A more general point of significance is that exchange rates for the major currencies would be subject to different influences in a setting of weaker demand conditions, coupled with higher oil prices and continuing inflation. Whether the relative calm that has characterised the exchange markets in recent months would be extended would depend to a large extent on policies. The larger industrialised countries, while keeping their policies attuned to fundamental objectives, might well find it necessary to co-ordinate their actions regardings exchange market interventions—and, at least to some extent, their monetary policies.

To assist developing countries with their external financing, industrial countries in a strong position on current account should take all feasible steps to improve their position as capital exporters. An important area of such improvement must be to ensure a larger stablising flow of private capital—something that inevitably takes time to achieve but that can be influenced by additional government measures to encourage capital outflows, both directly and through changes in institutional arrangements and practices in the private sector.

In addition, and here immediate action could be taken, there is a strong case for all industrial countries—surplus and deficit alike—to increase their official development assistance. . . .

Considerable scope for improvement of economic conditions round the world lies in a better working of the international adjustment process. The wide differences that characterise the current positions in member countries call for adjustment policies on a broad scale, carefully differentiated on an individual country basis.

As a general proposition, each country should contribute to world economic growth in relation to the strength of its external position and to its price performance. The implications of such an approach—if carried out effectively—are that countries in a relatively strong external position would act to support growth to the extent that it would not jeopardise their anti-inflation programmes, while countries in a relatively weak external position and with high inflation would adopt corrective measures of a fundamental nature to deal with their problems.

In this context, the industrial countries could make a particularly important contribution by co-ordinating their growth objectives and policies over the medium-term. Such a process could serve to bolster economic growth, to safeguard the recent improvement in the distribution of current account balances and thus to promote the maintenance of orderly exchange markets and of reasonable stability in the exchange rates of major countries.

The very difficult conditions now confronting the authorities of most member countries also portray a large, and probably difficult, task for the International Monetary Fund. The role of the Fund is a very broad one, ranging from the conduct of a world-wide forum on economic and financial problems to the provision of financial, consultative and technical services to individual countries.

In the exercise of all its functions, such as those involving the principles of conditionality or of surveillance over exchange rate policies, the Fund must act fairly and even-handedly . . .

It seems evident that under the conditions that loom ahead, the Fund must be prepared to assist many of its member countries in dealing with their economic and financial problems but, notwithstanding the high priority that has to be given to adjustment, it would appear that claims on the Fund's resources in the next few years could be large.

The Fund has endeavoured to adapt its policies and facilities to the needs of member countries in the changing circumstances of recent years and it is continuing to assess the adequacy of improvements that have been or are being introduced.

BP bid to build £100m N. Zealand gas plant

By Sue Cameron, Chemicals Correspondent

BRITISH PETROLEUM is understood to be one of three companies competing for the chance to build a £100m methanol plant in New Zealand, using gas from the offshore Maui field as a feedstock.

Petrocorp, the New Zealand state energy company, and Mobil, the U.S.-based oil group, are believed to be working on rival schemes of their own.

Last week the New Zealand Government declared that it had decided to earmark the Maui field's gas reserves for a methanol plant with an annual capacity of between 600,000 tonnes and 825,000 tonnes.

The announcement ended the Shell groups hopes of building a liquid natural gas (LNG) plant based on Maui reserves in the near future. The Maui field would not at present be able to support both a methanol and an LNG plant.

The New Zealand Government expects the projected methanol plant to come on-stream in 1983-84. The intention is that half the production from it will be exported. Much of the remainder will be used to help to make New Zealand 50 per cent self-sufficient in fuels by the late 1980s.

Mr. William Birch, the Energy Minister, has been empowered to start negotiations immediately with those companies whose proposals are sufficiently far advanced to enable the final design phase of the plant to start this year.

BP's proposed scheme is thought to involve the building of a plant at New Plymouth, where gas from the Maui field, which has estimated recoverable reserves of 6.9 trillion (million million) cubic feet, is already being piped ashore.

BP's plan is that methanol not exported should be added to petrol.

Brazil sets ambitious export target

BY DIANA SMITH IN BRASILIA

THE BRAZILIAN Government has proclaimed an ambitious export target for 1984 — $40bn (£18bn) worth of goods and services, 266 per cent more than this year's forecast exports of $15bn.

Undeniably, Brazil's export drive has worked in recent years. Overseas sales doubled between 1974 and 1978, from $6bn to just over $12bn, with manufactured goods, that year, accounting for over half of exports, whereas earlier in the decade their impact was minimal.

However, lavish Government tax incentives to manufactured exports and punitive tariffs on imports gave Brazil's foreign trade a controversial reputation, and the proliferation of bureaucratic bodies and red tape often frustrated exporters.

Having inherited the commitment of the Geisel Government to GATT, implying phasing out export incentives and import restrictions, the new, Figueiredo Administration has now set about streamlining foreign trade. This week, it revived the defunct Foreign Trade Council (Concex).

This time round, Concex will not be a rigid Government body. Although it is presided over by the Finance Minister, Sr. Karlos Rischbieter, with the Ministers of Foreign Affairs, Industry, Agriculture, Energy and Transport sitting on the board, the private business community (at Sr. Rischbieter's instigation), will be represented in the person of Sr. Paulo Vellinho (director of Springer Admiral) and three leading businessmen as board members.

Apart from defining overall trade policies and tactics, especially operations in the complex world of commodities and engineering in the developing nations, Concex will have a go at the 1,470 separate pieces of legislation that, bog down exporters and drag them over a route that travels through 13 separate Ministries and 50 civil service bodies.

At the outset, Sr. Rischbieter announced simplification of export manifestos, and simpler procedures for exports of spare parts, as well as a new scheme for insuring export credit.

Current economic facts provide ample justification for the Government's resolve to streamline foreign trade: between them the $7bn Brazil must spend this year on crude oil imports and $9bn on servicing the $50bn foreign debt, will exceed estimated 1979 exports by between $1-2bn.

With its renewed intent to continue rapid development by greatly diversifying industry, Brazil cannot soon decrease essential capital goods and raw materials imports, constanly made more expensive by mini davaluations of the cruzeiro.

Thus, apart from selective discouragement of superfluous imports (Sr. Rischbieter wants to end current "blanket" restrictions) the Government has little choice but to face an annually rising import bill.

Therefore, achieving reasonable trade balances or surpluses through greatly increased exports is seen as the means of easing some pressures on the current account of the balance of payments—now $8bn in the red.

Czech industries faced with technology gap

BY LESLIE COLITT IN BERLIN

CZECHOSLOVAK economics officials say the country's leading export industries are in serious trouble because of their widening technological lag behind the West and soaring costs for fuel and raw materials.

Exports of engineering products, which make up the bulk of Czechoslovakia's shipments to the Soviet Union and other Comecon countries, fell short of planned export targets in the first half of this year.

Economics officials from Prague are echoing recent warnings by the Communist leadership of Czechoslovakia on the country's non-competitiveness in industry.

The Prime Minister, Mr. Lubomir Strougal, has singled out the engineering sector as one of the worst culprits, saying Czechoslovakia must take drastic steps to conserve energy because of the inability of the Soviet Union to meet its oil needs in coming years.

The Czechoslovak economists say there will have to be a "major reorganisation" especially in the engineering industry after the criticism by Mr. Strougal and the Czechoslovak party newspaper Rude Pravo.

The newspaper recently issued a sweeping condemnation of industrial management, noting that in any wide-ranging changes the "work of the manager, the general manager or the Minister" should not be overlooked.

The basic problem, the economists say, is that the large series of Czechoslovak plant and machinery exports to the Soviet Union means factories are unwilling and unable to adapt to the individual demands of customers in the West.

The reluctance to adopt new technology in the end also depresses the price level of Czechoslovak goods exported to the Soviet Union and other Comecon countries.

The Czechoslovaks say there will be no economic changes along the lines of the successful Hungarian socialists market economy. The Soviet Union would not approve of such reforms only 11 years after the Communist leadership of Mr. Alexander Dubek was ended by the Soviet occupation of the country.

Instead, the economics officials say there is likely to be a move toward greater industrial concentration into units of the type known as *kombinate* in East Germany, which have greater responsibility for foreign trade.

In the first six months of this year, Czechoslovak industry had production losses of 4.5bn crowns ($450m) which were partly attributed to severe winter weather.

The growth in industrial production was 1.6 points lower than planned. Most seriously, exports to the Soviet Union, to pay for oil and gas, have been running behind schedule.

The Soviet Prime Minister, Alexei Kosygin, during a visit to Prague earlier this year, criticised Czechoslovakia's inadequate planning for the economic co-operation between Moscow and Prague during the five year plan period starting in 1981.

Turkey deficit narrows

ANKARA — Turkey's foreign trade deficit narrowed to $126m in July from $150m a year ago, the Commerce Ministry announced.

In July imports registered $272m, down by 44 per cent from June and by 8 per cent from a year ago. Exports were $146m down by 14 per cent from June and up by 2 per cent from a year ago.

AP-DJ

Satellite threat alarms television companies

BY ARTHUR SANDLES

THE PROSPECT of satellite television transmitters beaming down commercial TV programmes to much of western Europe in competition with established national systems is beginning to alarm broadcasting bodies. A space-based Television Luxembourg is seen as a likely reality rather than science fiction.

Speaking at the weekend conference of the Royal Television Society in Cambridge, Sir Charles Curran, former director general of the BBC and now managing director of Visnews, a television news agency, said "the prospect of signals from Luxembourg reaching substantial areas of the South East of England is already causing perturbation in commercial television circles in Britain."

Sir Charles believes transmitters in the sky could be in use "within the decade."

"Direct broadcasting controlled by, let us say, Luxembourg or Monaco or Liechtenstein or Andorra or San Marino, will inevitably cover substantially greater areas than the national sovereign territories of those states." Each country had the potential to provide four channels.

Sir Charles added that the services of these stations "will be dependent financially, and this cannot be denied, on the achievement of major audiences over large areas of the contiguous countries. Theoretically, the overspill will be unavoidable. It will, therefore, be legitimate."

According to Sir Charles: "The tendency towards national monopoly and control which has been used, at its best, to safeguard standards of broadcasting over a significant part of Europe, will now be open to direct competition from organisations whose purpose will be to make large profits."

There are at present technical problems about picking up foreign satellite-originated signals as special aerials and sets would be needed.

Big clashes on air licensing expected

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

ONE of the biggest air-route licensing battles yet seen in the UK starts on October 24, when the Civil Aviation Authority starts public hearings of claims by several independent airlines for new routes from Gatwick to the Continent.

The biggest claims for new routes from British Caledonian, which wants 20 cities added to its network, and from Laker Airways, which wants to run Skytrain-type flights to 35 European cities. Smaller applications for European routes from Dan-Air and British Island Airways will be made.

British Airways, the State-owned airline, already flies to many of the cities concerned from Heathrow. It has rights to many from Gatwick, but does not use those rights.

British Caledonian and Laker in particular will ask for British Airways Gatwick rights to be withdrawn and reallocated to themselves.

British Caledonian has asked for rights to Athens, Barcelona, Cologne-Bonn, Copenhagen, Duesseldorf, Frankfurt, Geneva, Hamburg, Hanover, Helsinki, Lisbon, Madrid, Marseilles, Milan, Oslo, Rome, Stuttgart, Turin, Zurich and Vienna.

It has said it will offer fares up to 40 per cent below existing rates.

Laker's list includes many of the above cities, and also such destinations as Malaga, Palma, Ibiza, Las Palmas, Teneriffe, Corfu, Rhodes, Herakleion, Dublin, Paris, Nice, Brussels, Amsterdam, Stockholm, Naples, Munich and Berlin.

Laker has also said it will offer cut-price fares, at about half present levels.

The Civil Aviation Authority has set aside 12 days for the hearings, which will be bitter, with each independent fighting the other as well as British Airways.

Decisions will probably not be announced until the New Year, but sufficiently early in 1980 to enable flights to start in the spring.

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This will also depend on foreign Governments' reactions to the independents' plans.

Under the bilateral air agreements between the UK and European countries in nearly every case only two airlines are allowed on the routes, British Airways and the appropriate foreign-flag airline.

In only a few cases are additional airlines permitted, such as British Caledonian between Gatwick and Paris. Foreign airlines and their Governments may object strongly to more UK airlines serving their cities, even if this is from Gatwick.

Thus, even when the Civil Aviation Authority has made up its own mind what to do, there must be an extensive series of negotiations with the foreign countries in each case to get their permission for reallocation of routes.

This in turn could prove a long and difficult matter, and start of flights from Gatwick could be delayed.

The Civil Aviation Authority hearings will be on October 24-26 and 30-31, and November 1, 2, 6, 9 and 21-23.

● A new airline, Air Kent, starts today between Manston, at the eastern tip of the county, and Brussels and Rotterdam.

Using twin-engined eight-passenger Piper Chieftains, the airline will make five flights daily to Brussels each weekday and two flights daily to Rotterdam. Flying time will be 50 minutes each way. Fares are £43 single, £86 return.

Founded by Mr. Robin Paine and other East Kent businessmen, the airline aims to make it more convenient for residents in the area to reach the Continent. Hitherto they have been obliged to make a 90-mile surface journey to reach Heathrow before flying to Brussels or Rotterdam.

By using Air Kent they can be in Brussels much more quickly. At Brussels passengers can connect with Sabena flights to many long-distance destinations.

Shopping coupon drive by Tesco

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

TESCO is today launching the first shots of the autumn offensive in the grocery price war. It is reviving the use of special coupon schemes whereby shoppers can exchange a coupon allowing up to 10p off a specified product.

The two-week campaign, with the coupons distributed through a national newspaper, is the first time Tesco has used coupons since it sparked the price war two years ago by dropping trading stamps and concentrating on price cuts.

The move suggests that Tesco is attempting to vary its pricing tactics to maintain shoppers' awareness of its overall strategy of low prices and helping to generate a higher sales volume. Coupons have the advantage of publicising price cuts—even if the coupons are not used—as well as enabling the retailer to secure manufacturers' support to help finance special reduced prices.

Tesco's revival of coupons is in line with the growth of their popularity in the retail trade. A recent survey carried out by the Nielson market research company shows that three-quarters of consumers use coupons. In 1978, a record 270m coupons worth £16.7m were redeemed, compared with 192m coupons worth £11m in 1977.

More than half of the coupon users bought food with them according to the Nielson survey, with household goods, toiletries, and cosmetics also popular.

For a product costing 20p, a coupon worth 5p was the value that most strongly influenced consumers to buy the product, according to Nielson.

Although Tesco's use of the coupon scheme and increased advertising by other retailers suggests that the price war is beginning to hot up again, a major offensive has been delayed by the independent television strike with the consequent loss of advertising.

Metrication rap for food industry

CRITICISMS of the food and drink industry for not making the switch to metrication more understanable for shoppers will be contained in a Price Commission report to be published tomorrow.

A commission survey conducted a year ago found shoppers were confused by the ways in which food and drink were packaged and priced in shops following metrication, and that price rises were concealed during the switch to metrication because old prices were charged for new, smaller metric packs.

New Year start for tachograph

By Lynton McLain

THE GOVERNMENT has decided that tachograph vehicle and driver performance recorders will be fitted to the first category of lorries—those over 3.5 tonnes gross weight—from New Year's Eve.

A two-year phasing-in period from December 31 is expected to be announced by Mr. Norman Fowler, Transport Minister, before the end of the month.

The expected timetable has already been attacked as a "physical impossibility" by the Road Haulage Association, which told Mr. Fowler earlier this year that five years is the essential minimum.

The association represents 15,000 haulage companies employing 175,000 drivers. It said yesterday that its greatest concern is over cost and the difficulty of getting 480,000 vehicles, affected by the European Community law, through the proposed 200 calibration centres in two years.

Flexibility

It called on the Minister to allow "much greater flexibility." This was essential where "operators cannot afford the tachograph or where they simply cannot get into the centres in time."

Initially the haulage industry would have to pay £66m for the tachograph. This would come from the extra cost of £350 for each vehicle, for the recorder, for the cost of fitting it and the cost of having the vehicle off the road.

There would also be an extra £47m a year running cost based on an average of £250 of work likely to be needed for further tachograph calibration, particularly when a lorry's clutch or gear box—connected to the recorder—has had to be repaired.

Prestel hit by lack of equipment

By Elaine Williams

DELAYS IN producing equipment to link telephone subscribers to Prestel, the Post Office's information service, have angered companies who provide information for the service.

They are concerned that not enough television sets equipped to receive Prestel, or adaptors which can be used on conventional sets, are being made. It means that companies putting information into the Prestel computers will not begin to make any money until well into next year.

The companies had hoped that manufacturers would have produced about 50,000 Prestel sets for sale in Britain in 1979. The target is now 20,000—but even this figure is optimistic.

Because of the lack of sets, the Post Office has postponed its nationwide promotion of Prestel.

John Lloyd writes: Prestel has now attracted its first full-length study in print. The Electronic Bookstall, by Rex Winsbury, points out that the price of the system remains high enough to deter private customers, while the business market is too small to encourage mass production.

Top union officials in bid to solve Vauxhall pay row

BY PHILIP BASSETT, LABOUR STAFF

NATIONAL union officials will meet Vauxhall Motors' representatives today to try and solve a dispute over pay. The dispute has stopped work at the company's Ellesmere Port plant for two weeks, and has disrupted production at its other two factories.

It will be the first direct involvement of national officials in the dispute. A pay dispute at the company last year ended soon after it went to national level, but local shop stewards yesterday were not confident about the outcome of today's talks.

The Vauxhall offer is one of the first major pay proposals of the new round, and is estimated within the company to be worth 17 per cent. It is likely to be closely watched by For dand other workers who normally set the pace of the round.

The company has not formally met its own union officials since talks more than two weeks ago failed to make much progress. Both sides have agreed not to release details of the developments to the package put forward then.

The offer was not substantially improved at those talks, and it was decided to go through the agreed procedure and refer the dispute to national level. But the company did agree to reword one of the conditions attached to the offer on performance and working practices.

The condition threatened to withdraw the guaranteed shift payment if flexible working was not agreed in the event of an unofficial stoppage by one section. It was seen as especially contentious, particularly by the more militant Ellesmere Port plant on Merseyside.

The company also indicated at the talks that is was prepared to reconsider its former rejection of the union side's claim for reopening pay negotiations if the cost of living increased markedly.

Some union officials were sceptical yesterday that today's meeting in London with national officials of the Amalgamated Union of Engineering Workers, the Transport and General Workers' Union, and the Electrical and Plumbing Trades Union, could do much that would affect the action at Ellesmere Port.

● Chrysler car workers in Coventry meet today over their 11-week pay strike. They are expected to support a shop stewards' recommendation to continue the stoppage.

The 2,000 workers at the Ryton assembly plant and the 3,000 at the Stoke engine plant have been taking action since early July.

The company has warned that because of the dispute the assembly works will close "in a matter of weeks" unless the dispute is ended.

Ministry of Defence studies anger unions

BY OUR LABOUR STAFF

CIVIL SERVICE unions have instructed members in the Ministry of Defence not to co-operate with a series of studies by the Department into its manpower costs. Union officials say these could lead to hiving-off of key defence work to the private sector.

The Ministry has been exempted from the Government's overall review of Civil Service manpower costs, based on options of 10, 15 and 20 per cent cuts, which the Cabinet is examining.

As the Ministry employs a third of all Civil Service staff, the exemption may affect the size of cuts in other functions and departments, though it is likely to be offset by cuts arising from its internal studies.

Union officials have been angered by the studies, which include examining options of transferring forces' supplies, quality control and contract cleaning to private industry. They are in areas where industrial action was taken on pay earlier this year.

One is on certification and payment of bills to outside contractors. Action by the Civil and Public Services Association and the Society of Civil and Public Servants at the Ministry's Liverpool computer billing centre caused the Ministry to pay some bills manually, and disrupted its cash flow.

A study of the Royal dockyards—where industrial civil servants are taking action, and which were hit earlier by action by members of the Institution of Professional Civil Servants—is on the yards' organisation "taking account of recent manpower and productivity trends and those forecast for the future."

Opposition to proposed docklands authority

BY JOHN LLOYD

LABOUR politicians in London's Docklands yesterday said establishment of an urban development organisation for the area would lead to delay, and discourage investment.

Last week, Mr. Michael Heseltine, the Environment Secretary, said that the corporations, which came to be established both for London's docklands and for Merseyside would be run on the lines of a new town corporation.

The proposal was immediately criticised by, among others, Sir Kenneth Thomson, chairman of the Conservative-controlled Merseyside County Council, as being "without a vestige of public accountability."

The latest criticism supports this view. Councillor John O'Grady, leader of Southwark Council and vice-chairman of the Docklands Joint Committee, said: "The proposed UDC would sacrifice the partnership between the six local authorities which is now showing results on the ground."

Mr. O'Grady said his council had already invested £20m in Surrey Docks and was looking to the docks to add at least £10m to the borough's rate base.

Mr. Nigel Spearing, MP for Newham South, agreed that the existing committee should receive more powers and funds, and said that the corporation was "a new Quango to transfer public property to speculators and developers." It was "nonsense" to use a new town corporation as a model.

Better maths 'would cut unemployment'

IMPROVEMENTS in the way mathematics is taught in British schools would lead to a drop in the numbers of school leavers who fail to find jobs and help to ease the shortage of skilled labour, says a paper.

The paper—Education and Employement—is published today by the Association of British Chambers of Commerce. It says the Government should take urgent steps to improve standards of numeracy and literacy.

New Town talks

LORD HOME, the former Prime Minister, this morning opens the first Commonwealth New Towns Conference in East Kilbride, for which at various times between 1931 and 1951 he was MP. About 170 delegates from 27 countries are attending.

ITV card fans

DURING the dispute most regular ITV viewers have switched to BBC. Only 5 per cent have switched off or stayed tuned to the apology card, say BBC researchers. BBC 2 had its biggest audience ever last month—18.5m for a rerun of the film, The Good, The Bad and The Ugly.

Lambeth revolt

LAMBETH, south London council will today tell the Government it will not cut services in line with Department of the Environment guidelines. A protest march to Westminster is planned for November 7.

Whitehall intervention in labour market criticised

GOVERNMENT intervention in the labour market promotes inefficiency, inflation and unemployment according to a new collection of essays published this morning by the Institute of Economic Affairs, an independent body which sponsors research into market solutions to economic problems.

The essays are based on a seminar at the end of last year attended by economists from throughout the world. They analyse the economic consequences of attempts to create jobs and discuss the broader workings of the labour market.

The authors agree about the adverse effects of Government attempts to create jobs. For instance, Professor Albert Rees from Princetown University argues that "job preservation policies may preserve jobs for present incumbents, although even this effect is not inevitable.

"For workers they merely redistribute jobs in a way that reduces total output. Whatever their historical causes, the effect of restrictive work rules on the welfare of the whole society seems to be unambiguously detrimental."

The authors argue that for healthy employment prospects an efficient private sector is needed.

"Job 'Creation'—or Destruction?" IEA Readings 20, £3.00 from Institute of Economic Affairs, 2, Lord North Street, London SW1P 3LB.

Sinclair Radionics shuffle

FINANCIAL TIMES REPORTER

A MAJOR reorganisation has taken place at Sinclair Radionics, the National Enterprise Board-backed electronics company, after the resignation of Mr. Clive Sinclair, its former chairman and managing director.

Mr. Dennis Taylor has been appointed chairman and managing director of Sinclair Electronics, the instrument side of the business, which was made a separate division from Sinclair Radionics' consumer activities.

Later this year the NEB intends to make Sinclair Electronics a completely independent company from the parent, but still controlled by the NEB.

The 100 workers will continue to produce electronic instruments such as oscilloscopes, multimetres and frequency counters.

SRL, the parent, has already sold off its pocket television interest to Binatone, a UK consumer goods supplier, as well as the Enterprise range of programmable calculators. So manufacture of all its consumer products has ceased.

SNP swing to hard lines

BY RICHARD EVANS, LOBBY EDITOR

THE SCOTTISH National Party, following its reversals in the general election and the devolution referendum, reached a watershed at the weekend with adoption of a clear change of strategy.

The results of elections to the party's main offices, announced at the annual conference in Dundee on Saturday, showed a marked desire to return to the party's fundamentalist roots of demanding full independence and nothing less.

Candidates who had urged development of a comprehensive Left-wing platform to make the SNP the "natural" opponents of the Tories in Scotland and give it a wider ideological base were heavily defeated.

The most spectacular casualty was Mrs. Margo MacDonald, who was ousted from the influential post of senior vice-chairman by Mr. Douglas Henderson, former MP for East Aberdeen and a noted Right-winger.

The defeat was expected, but not its scale, 450 votes to 189. The new chairman is Mr. Gordon Wilson, MP for Dundee East, who defeated Mr. Stephen Maxwell, a leading member of the Left-wing Group 79.

Quicker rail run on Glasgow line

BRITISH RAIL plans to bring its 155 mph Advanced Passenger Train into service between London and Glasgow within a few months. The train will cut the journey by 45 minutes.

The Inter City 125 expresses are closing the speed gap with Japan's Bullet trains. BR's best average speed between stops is now only 3.8 mph slower than the Bullet, according to a survey in Railway Gazette International.

APEX executive prepares for talks on merger

BY NICK GARNETT, LABOUR STAFF

EXECUTIVE MEMBERS of the Association of Professional, Exeutive, Clerical and Computer Staff begin discussions in earnest next month with some of the six unions which have tentatively offered proposals on a merger with the 150,000-strong white collar union.

One set of talks, in November, involves the General and Municipal Workers' Union, which is thought to have approached APEX about a possible merger in June.

Senior officials of APEX including Mr. Roy Grantham, the general secretary, are thought to have decided that a merger with a larger union would be beneficial in the light of probable changes in white collar unionisation. Most, if not all, of the six unions, however, have taken the initiative in approaching APEX.

Its executive has already endorsed a report that the "special interests" of APEX must be protected in any merger formula.

Some APEX officials have concluded that merger negotiations with the Association of Scientific, Technical and Managerial Staffs, one of the six unions courting APEX, are likely to prove more successful than any other. ASTMS has so far been cautious about the possible outcome of those talks.

ICI staff accepts 18%

MANAGERIAL and professional staff at Imperial Chemical Industries have agreed a pay settlement worth 18 per cent in a deal which completes the company's pay negotiations in the current round with all its groups of workers.

The 9,000 staff, about half of whom are members of the Association of Managerial and Professional Staff, had rejected by ballot an 18 per cent offer plus an unspecified productivity bonus.

The union's ICI national standing committee agreed over the weekend to accept the deal after further negotiations with the company, when it was agreed that the question of differentials should be referred through the group's agreed procedure to mediation.

Registration of engineers backed by profession

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

A SIGNIFICANT proportion of people in engineering and scientific jobs favour the introduction of registration of engineers along the same lines as the medical profession so as to make engineering a more attractive occupation.

If such a course were adopted, it would mean that certain jobs could be performed only by registered engineers.

A survey carried out by the Policy Studies Institute recently for the Finniston committee of inquiry into the engineering profession asked a sample of 5,200 engineers, scientists and technologists whether they thought certain suggestions would encourage people to remain in engineering. Predictably, the majority believed higher salaries would be the best way of raising the profession's status.

The next most popular suggestions were: raising the status and respect given to practising engineers (81 per cent); improving the career structure for practising engineers (78 per cent). Sixty-three per cent went on to favour a clearer distinction between specialist professional engineering and technical work, and 61 per cent were in favour of registration.

Questioned more closely as to whether registration would be a good thing for the respondent's own post, 68 per cent said it would from their own point of view, 56 per cent thought it would be a good thing for their employer and 64 per cent voted it as a good thing in the national interest.

Registration is now on a voluntary basis, and is confined to those members of institutions which are affiliated to the Council of Engineering Institutions. But the issues of whether registration ought to be widened to encompass engineers outside the CEI, and whether registration should be in the hands of a statutorily-backed independent body, have proved to be among the most controversial to be investigated.

The committee, which hopes to have its report ready before Christmas, is expected to make recommendations which go some of the way towards solving the registration argument.

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Building and Civil Engineering

£13m Portuguese motorway

TRANSPORT system work by the Sir Alfred McAlpine group through its associated Portuguese company will bring in over £13.5m under contracts recently won.

Construcoes A. Supico SARL, in a joint venture with Tecnopul LDA, has won a contract from Brisa-Auto Estrados de Portugal worth around £13m. The first company is the McAlpine associate.

With McAlpine operating as the nominated supervisory contractor this large contract calls for the construction of a section of the Auto Estrada do Norte, between Condeixa and Coimbra in Portugal. This will be 15 kilometres of dual two-lane motorway together with 15 bridges and two interchanges.

Agent for the contract is Eng F. Neves and the work is scheduled for completion in three years.

Supico has also won a contract from Brisa for the construction of an interchange and two bridges at Avieras de Cima in Portugal.

At home, in the Midlands, the northern wing of the company is to build a workshop and laboratory for Freeman Chemicals at a site on Deeside.

This £¾m task is due for completion in 17 months. Architect is Ormrod and Partners.

£5½m contracts for Wimpey

OVER £5½M worth of contracts have been announced by the Wimpey Group and one for £2m will, it is claimed, create 300 jobs in a central Scotland clothing factory.

The company has started work within the last few days on an extension of a 3.4 acre site at the Camelon, Falkirk factory of Bluebell Apparel (which makes denim leisure clothing under the "Wrangler" trade name) which includes production areas, plant room, offices, service road and car park. Project will add almost 103,000 square feet of floor space to the present factory and will take 15 months to complete.

Peterlee Development Corporation, Co. Durham, has placed a £1.8m contract for the erection of six factories in five separate blocks, together with access roads, car parks, footpaths, drainage and other services. The factories are in steel frame construction with external walls of brick and block at lower level and metal cladding at upper level. Roof structure is flat with metal decking and built-up felt covering and rooflights.

In Couva, Trinidad, George Wimpey (Caribbean) has won a contract worth over £1.4m for the construction of a shopping development. Awarded by the Anglican Church of Trinidad and Tobago, this contract comprises a complex with a total floor area of 75,200 square feet contained in one and two storey buildings which will consist of a department store, supermarket, shops, bank, snack bar and other amenities.

Grampian Regional Council in Scotland has placed a £460,000 order for the design, procurement, supply and installation of a Unox system at the Persley sewage treatment works near Aberdeen. Conversion will be achieved by covering the aeration tanks, replacing the surface aeration equipment and supplying oxygen from a 3.3 tonne a day oxygen generation plant also to be supplied and installed by the company.

Cairo bank project

SEIFERT INTERNATIONAL has won a limited architectural competition for the new 36,138 square metres headquarters of the Banque MISR in Cairo.

The £20m project is to have a street-level banking hall set before its imposing 30-storey tower. Monolithic marble planes (said to have been inspired by classical Egyptian architecture) flank the buildings.

Tenders are to go out shortly and work is scheduled to begin on site early next year.

Widnell and Trollope (Middle East) are quantity surveyors and Ove Arup International the structural engineers.

Lovell gets work in London

WORTH £5.3M, a contract to Y. J. Lovell is for 274 dwellings at Hargrave Park, Islington, for the London Borough of Islington.

The accommodation will consist of a mixed development for two and four people comprising flats and houses and will include special housing for the disabled, particularly those dependent upon the use of wheelchairs.

There will also be accommodation provided in a sheltered housing block for old people, with warden accommodation included. Work on the site, which has already been cleared of buildings under a separate contract, will start on October 16 and is to take three years to completion.

Quantity surveyor for the contract is Oswald E. Parratt and Partners.

● Millard Group has commenced work on the erection of 221 dwellings for Wolverhampton Corporation at its Pendeford site under a contract awarded earlier this year at a value of £3m.

● Avonmouth Construction (part of APC Group) has been awarded a £200,000 contract to build industrial units with auxiliary services and parking areas for British Rail Property services division at Chapel Street, Bristol.

Testing the integrity of pipes

LEAKS IN oilfied tubing string joints as small as one cubic foot per century can be quickly and easily detected by the Drexel SLT system, jointly developed by Drexel, the British-based international oilfied equipment group, and its associated company BOC-NOWSCO.

The system breaks new ground in that it simulates normal operating conditions by allowing a joint to be tested under internal pressure. It also relies on identification of traces of helium outside the joint and not upon measurement of a pressure drop. This technique is more reliable, more sensitive and quicker to use.

Prime component of the system is the Drexel SLT tool which is lowered inside the tubing. The joint to be tested is isolated by two packers at either end of the tool which are expanded by air pressure to form a seal.

Air dosed with helium is introduced from a small skid mounted compressor and the internal pressure raised to any required level up to 5000 psi.

Leaks are measured by applying a probe from a highly-sensitive NOWSCO portable mass spectrometer to the external faces of the joint. Minute leakages of helium—as small as 1 cu ft/100 years—are immediately detected.

The SLT system has been designed to API standards and is suitable for use in pipe diameters up to 9⅝ in.

Drexel DPD, Waldron Road, Montrose, Angus DD10 8SW. 0674 4138.

Offices in Swindon

COMMERCIAL UNION Properties (Developments) has contracted Sir Robert McAlpine and Sons to construct a five-storey office block at the junction of Gloucester Street and Station Road, Swindon, under a contract worth £2.4m.

The structure will be L-shaped and 22 metres high. It will be air conditioned and provide 5,300 square metres of floor space.

Work starts immediately with completion programmed for late next year.

Shifting the earth

PROMISING TO save money in both the public and private sectors is the Gannon range of earth moving equipment which can enable a single operator to accomplish four separate earth moving jobs without changing attachment, or leaving the tractor seat, announces Welbourn Sportsgrounds, Welbourn, Lincoln (0400 72475).

The range has been developed in the U.S. where it has been in use for the past 25 years and, initially in the UK, three tools will be available in 29 models, covering a wide range of load capacities and cut widths with either part hydraulic operation or fully hydraulic.

The Earthcavator has a rotating bucket which, at the pull of a lever will provide four earth-moving operations.

The unit's box type scraper is controlled from the seat through a conventional hydraulic link and is a basic three operation tool for scarifying, filling and levelling. Scarifiertines are adjusted manually to give low or high cut or they can be removed altogether for fast backfilling and levelling.

£11m Norwest Holst contracts

CONTRACTS totalling over £11m have been won by three divisions of Norwest Holst.

Refurbishment of Lily Mill, Shaw, Oldham, Greater Manchester, for the Littlewoods Organisation is the largest of several awards to Norwest Holst Northern. The £1.6m contract includes provision of modern mail order receiving, storage and despatch facilities, new catering facilities, lifts and electrical and heating installations. External works include a 2,000 square metre ramped paved area and reinforced concrete retaining walls.

English Industrial Estates Corporation has awarded this division two contracts one for the construction of 15 advance factory units and associated works on a reclaimed inner city site at Sandon Way Industrial Estate, Bootle and another worth about £900,000 for ten advance factory units in three blocks.

Other work for this division includes a £300,000 contract from the City of Liverpool for five terraced factory units at Taylor Street, Liverpool, and a £950,000 award for the construction of a 52 bedroom extension and associated external works at the Excelsior Hotel at Manchester Airport for Trust House Forte Hotels.

Norwest Holst Southern has won two contracts. One worth £1.9m is from European Ferries for the construction of a seven-storey office block at 4-10 Heneage Lane, London, EC3, and the other, worth £1m, is from the City of Birmingham for construction of an engineering block at Handsworth Technical College, Birmingham.

The Civil Engineering division of the company has been awarded two contracts. Largest of these is worth £1.9m and is for the construction of berthing at H.M. Naval Base, Portland, Dorset. The contract with associated services, includes steel piling, reinforced concrete work, small buildings, service tunnel, earthworks and roadworks. The other award is worth £722,000 and is for the construction of plant, on the Stanlow North site, Ellesmere Port for Shell Chemicals UK.

Finally, Norwest Construction, has been awarded a £625,000 contract by the South Eastern Region of the British Gas Corporation for mains and service laying in the Guildford, Surrey, area.

Over £6m Costain awards

INCLUDED IN recently awarded contracts to the Costain Group is over £4m worth of civil engineering works at London's Heathrow and Gatwick airports.

Requirements under the £3m contract at Gatwick for British Airports Authority are for the demolition of buildings, breaking-up of pavements, excavation and filling, and the construction of aircraft pavements.

At Heathrow, the £1.1m contract comprises civil engineering works for roads, sewers and water mains and aircraft pavements, taxiways and runways. Also included is maintenance, alteration and addition to buildings within the perimeter.

Glaxo has awarded contracts totalling £2.2m for a two-storey office and laboratory block and modification to its group research building at Park Road, Ware, Herts. Also included is an upper roof level plant room and external works and drainage.

Called for are reinforced concrete strip foundations, ground floor slab columns and beams, trough floors and roof with metal deck upper roof to plant room and staircase housing.

Mowlem at Milton Keynes

WORKSHOP UNITS for small businesses at Monks Way, H3, Milton Keynes are to be built under a £1.2m contract awarded to John Mowlem by the Development Corporation.

The 28 buildings will be on a development called the Bradwell Abbey Workshop Scheme and will be either attached or separate and grouped around two concrete courtyards.

They will vary in size from 90 to 225 square metres, and construction will be of traditional cavity brickwork walls with roofs of coated asbestos sheeting on steel frames and beams.

Ancillary work includes installing site roads, two concrete courtyards, drainage and services.

Work has now started with completion due next spring.

Laboratory job for Laing

A TWO-STOREY laboratory building for ICI Central Toxicology Laboratory at its Alderley Park complex, Macclesfield, Cheshire, is to be built under a £2.2m contract awarded to John Laing Construction.

Work on the project is to start immediately for completion in 18 months.

The building, with a 4,000 square metre floor area will house laboratory services at ground level and a plant room on the first floor.

Structure will be steel-framed on in situ concrete ground slab supported by pad foundations and a sheet steel roof. Cladding will be in profiled steel sheet with glazed northern elevation.

£3m Crown court

A PROPERTY Services Agency contract worth £3m has been awarded to Turriff Construction for the construction of a new Crown and county court at Blackhorse Street, Bolton.

The building is to have five storeys in reinforced concrete frame structure clad in sandstone.

Project, which is due to begin this month, is scheduled to take two years to complete.

Advance factories

ENGLISH INDUSTRIAL Estates Corporation has announced the following advance factories contracts:

Tarmac Construction award £466,500 from Department of Industry for 23,000 square ft and another 10,000 square ft at No1 site, Consett, Co. Durham.

A. Lax and Sons award £163,000, from Development Commission at Tow Law, Co. Durham for a terrace unit type divisible into two units each of 2,500 square ft.

J. G. Green award £106,000, from Development Commission at Alnwick, Northumberland, for 5,000 square feet, also including site development works.

A roofed reservoir

JOHN TAYLOR AND SONS (Middle East), a member of the Association of Consulting Engineers, is to design and supervise construction of the Shuwaikh water distribution complex for the Kuwait Ministry of Electricity and Water.

Included will be a 260m gallon reservoir, a 90m gallons/day blending and chemical dosing facility and a pumping station. The reservoir will have a roof of about 45 acres and consideration will be given to what recreational or other uses the roof area could be used.

In addition, offices for some 150 water department staff are to be designed. The studies for the project are to start immediately. Design work should begin early in 1980, with construction scheduled to begin in 1981.

John Taylor and Sons is also currently engaged on the detailed design of the Kuwait effluent utilisation project which, when operational, will permit up to 86m gallons per day of purified sewage effluent to be utilised for irrigation.

IN BRIEF

● Prime site at Water Lane, Wilmslow, Cheshire, is to be developed by Whitecroft as a new group headquarters providing 18,000 square ft of gross internal area and 14,000 square ft of net office space. Planning application has been approved and construction will start early next year.

● Supply of steel gantries for traffic signs on the Stirlingshire link motorway due to open in November, is worth £185,000 to Robert Watson and Company (Constructional Engineers). Main contractor is Tarmac National Construction.

Office work by Bovis

TWO JOBS just won by Bovis Construction amount to over £1.1m and the larger contract, for £720,000, has been awarded by Estates Improvement for two three-storey office blocks at High Road, Whetstone, North London.

Other work, £420,000 worth, for the Automobile Association, is the refurbishment of Queen's House, Queen's Street, Cardiff. This will become the AA's third insurance processing office and will also incorporate a members service centre.

FINANCIAL TIMES SURVEY

Monday September 17 1979

Murchison Field Platform

When a 25,000 tonne steel platform jacket was floated out to the Murchison Field in the North Sea recently, it marked the most important stage so far in the Anglo-Norwegian development of the medium-sized field. Crude oil production could begin there by next summer, making Murchison the sixteenth oil field to come on stream in the UK sector of the North Sea.

Oil may flow next summer

By Kevin Done
Energy Correspondent

WHEN THE first oil begins to flow from the Murchison Field in the North Sea next year—production is expected to start during the summer of 1980—it could well mark the historic moment that the UK for the first time is able to produce as much crude oil as it consumes.

The development of North Sea oil has been a long and costly business since the first commercial field in the British sector, Montrose, was discovered in September, 1969. But in June this year North Sea oil output exceeded 1.7m barrels a day for the first time, equal to more than three-quarters of UK needs, and, according to the latest Government forecasts, self-sufficiency should be reached in the second half of next year. The Department of Energy said recently that UK crude oil production is expected to total 85m-105m tonnes next year, compared with consumption this year of 96m tonnes.

The Murchison Field, which is being develped by an Anglo-Norwegian group of 12 oil companies, is likely to be the sixteenth oil field to come on stream in the British sector of the North Sea. It is located to the east of the Shetland Islands among the clutch of prolific fields that includes the two largest North Sea finds, the Statfjord and Brent Fields.

However, Murchison was discovered rather later than most of the neighbouring fields—in September, 1975—and its significance lies not so much in its size, but in the way its developers have applied in practice the lessons learned from the hard experience of developing some of the earlier UK finds.

By the time Conoco, the U.S. oil company and operator of the Murchison Field, began detailed planning for the project in 1976, it had already become obvious that the first generation of North Sea oil fields had run into serious problems as costs increased wildly beyond the original budgets and construction timetables began to run many months behind schedule.

One of the first decisions taken by Conoco management, therefore, was to compile a study of earlier North Sea projects to try to learn what had gone wrong. The result was a report that quickly became known within the company as "The Book of Errors," although it went by the rather more formal title "Application of prior North Sea experience to Murchison project planning."

The study showed that many of the early projects had been set in motion before detailed design work had been completed. The result was that major pieces of equipment were being constructed and designed at the same time.

Changes

As the designs were modified, so the costs increased in a way that was almost impossible to control. The Murchison group took this point very much to heart and tried to have all designs completed before going out to contract.

It set up a design review board which investigated any proposed major design change both in terms of the extra costs and the delays to the construction schedule. According to Mr. Dennis Gregg, Conoco's general manager of the Murchison project, if contracts are let on the basis of conceptual drawings alone "you can only pay as you go along. It is difficult to work on fixed sum contracts and you can have no idea of the final costs before you start."

Earlier field developments also showed that serious errors were made in underestimating the weight of individual pieces of equipment to be installed on the offshore platform, so Conoco instituted a system of careful weight control. It also chose a radically new overall management approach. A large team of more than 80 Conoco staff was set up to be the core of the project management, instead of the normal practice of contracting this job outside to engineering consultants. This team then worked in parallel with the consulting engineers, who were hired on the basis of offering "project services." Control of the work could then remain firmly in the client's hands.

The result has not been perfect. Inevitably there have been some delays and the 25,000 tonnes steel platform jacket was floated out to the North Sea only three weeks ago, about 3½ months behind schedule. Most of the equipment to be installed on the platform is completed, but two of the individual equipment modules that are being constructed at one of the UK fabrication yards are still to be finished.

The original budget costed the whole Murchison project at $750m. Mr. Gregg claims that development is still within this budget, although the final cost is more likely to be in the region of $950m because of sharp changes in the dollar/sterling exchange rate. (The project was first costed when the pound was worth only $1.60.)

The main delay in the construction of the steel jacket was caused by an eight-week strike last year at J. Ray McDermott's fabrication yard at Ardersier on the east coast of Scotland about 10 miles to the east of Inverness. Work was also hampered when a tall crane, specially constructed to lift the steel frames into position, collapsed at the site in September.

Murchison is a medium-sized field by North Sea standards with recoverable reserves estimated at about 380m barrels of crude oil. In addition, associated natural gas reserves in the field could total 152bn cubic feet and Conoco hopes to recover about 20m barrels of the heavier gases propane and butane.

The field's design capacity could allow production of up to 150,000 barrels a day of crude oil—similar to the nearby Dunlin Field and slightly less than the neighbouring Thistle Field—but peak annual output is likely to average about 130,000 barrels a day. This level of production could be held for about four years, starting in 1981, before the field begins to decline.

In order to achieve a high initial level of production Conoco has installed three wellheads on the sea bottom—two for oil production and one for water injection—which will be brought on stream at the same time as the first two or three wells to be drilled directly from the platform.

These sub-sea wellheads were installed last year on the original exploration wells drilled nearly three years earlier to discover the field. Murchison has a relatively simple and compact geological structure and the decision to go ahead and develop the field was made after only three wells had been drilled on the field.

The sub-sea wells should considerably enhance the early cash-flow from the field and they have also provided the opportunity for testing new methods of sub-sea installation. These three satellite wells will be linked up to the main platform during the spring next year. The connecting pipelines could have been laid earlier, but they might easily have been damaged during the installation of the steel jacket or during the early months of offshore construction.

Crude oil production from Murchison will flow by pipeline to the £1bn oil terminal that is now under construction at Sullom Voe in the Shetland Islands. The terminal will not be completed until the early 1980s, when all the gas processing facilities are brought on stream. But Sullom Voe has been accepting crude oil, which has been stabilised offshore instead of at the terminal, since autumn last year. Oil is flowing ashore through two major trunklines, the Brent System pipeline and the Ninian pipeline.

The Murchison Field will be linked to the seabed pipeline network by a 10-mile line running to the Dunlin Field, which will be laid early next year. Here the crude will be mixed with oil produced from both the Dunlin and Thistle Fields as it flows into the 20-mile shared pipeline, in which the Murchison group has a 27.8 per cent interest, leading to the Cormorant Field.

The Cormorant platform acts as the main pump station for the Brent System pipeline and will be the vital junction controlling a major part of the UK's crude oil production. It will also take oil from fields such as Brent, Hutton and North-west Hutton, transporting it along the 95-mile trunkline to Sullom Voe. The Murchison group has a 12.28 per cent interest in the main pipeline.

The problem of disposing of the associated natural gas production from Murchison has not been solved quite so easily. The Government is anxious to ensure that only the minimum gas necessary is flared into the atmosphere and wasted at the offshore oil fields. The gas represents a valuable energy asset in its own right, but most of the North Sea oil fields do not produce sufficient gas individually to justify the building of an independent gas pipeline ashore.

Tentative discussions were started among the operators of the four most northerly North Sea fields, Murchison, Thistle, Dunlin and Magnus, about the construction of the so-called "northern leg" gas pipeline which would have collected gas from the four fields and linked them into the main Brent gas trunkline running to St. Fergus in Aberdeenshire. This mini gas-gathering system probably would have been built by the British Gas Corporation and the British National Oil Corporation and initial negotiations were started last year.

The whole scheme has been put back into the melting pot, however, by the Government's decision to revive plans for a much more comprehensive gas-gathering pipeline. This line might run from the northerly fields such as Magnus and Murchison all the way to the central North Sea to pick up gas from several other fields such as Brae and Beryl, before coming ashore at St. Fergus.

The economics of this scheme would be greatly enhanced if it could also pick up gas from the Anglo-Norwegian Statfjord Field, but the Government appears to believe that enough gas could exist already in the UK sector of the North Sea to justify a new pipeline with or without the Statfjord gas.

Mobil, operator of the Beryl Field, and the British Gas Corporation have launched a detailed feasibility study into the project, but if the line is built it is unlikely to be ready to carry gas before 1985-86. The Murchison group intend to re-inject the associated gas into the reservoir for the first two to three years to help maintain production pressures, but by

CONTINUED ON PAGE III

UK AND NORWEGIAN OIL FIELDS IN THE E. SHETLAND BASIN OF THE NORTH SEA

Field	Operator	Block	Total recoverable reserves (m bls)	Production to end 1978 (m bls)	Estimated remaining recoverable reserves (m bls)	Quality deg. API	Sulphur content percentage	Percentage recovery factor
BRENT	Shell	211/29, 3/4	2,215*	39	2,176	38	0.2	45–50
CORMORANT (SOUTH)	Shell	211/26	110	—	110	35–36	0.65	45
CORMORANT (NORTH)	Shell	211/26	400	—	400	35	0.8	40
DUNLIN	Shell	211/23, 211/24	400	5	395	35	0.4	30–35
HEATHER	Unocal	2/5	150	1	149	35	0.57	40
MAGNUS	BP	211/12, 211/7	450	—	450	39	0.28	45–50
MURCHISON	Conoco	211/19	318	—	318	38	0.26	40
NINIAN	Chevron	3/3, 3/8	1,200	Neg.	1,200	35.1	0.41	37
STATFJORD	Conoco	211/24	233	—	233	38	0.2	50
THISTLE	BNOC	211/18, 211/19	500†	20	480	37.4	0.31	50

* Includes 530m barrels of NGLs and condensate. † Includes 50m barrels of NGLs and condensate.
Source: Wood, Mackenzie.

Project reaches key stage

THE INSTALLATION in recent days of the 25,000 tonnes steel platform jacket for the Murchison Field has marked the most important stage so far in the development of one of the North Sea's most northerly fields. The jacket is the largest structure yet to have been launched from the back of a barge *into the North Sea. When* the deck and all the processing units have been installed it will stand 866 feet above the seabed, rather taller than the Post Office tower in London which measures only 620 feet.

Much of the technology used for the construction of the Murchison jacket has been well tried and tested in many earlier plat*forms built for North Sea oil* and gas fields. Indeed, the techniques used for building such steel jackets are a direct development of methods first used in the rather quieter *waters of the Gulf of Mexico.*

However, the Murchison platform is of necessity a much larger structure than many of its predecessors. It has been built to stand in 515 feet of *water in the middle of the North* Sea and has been designed to withstand the 150-knot winds and 100-foot waves that can occur in these stormy waters. The field is located 120 miles *to the north-east of the* Shetland Islands and straddles the median line which divides the British and Norwegian sectors of the North Sea.

The jacket was towed out to *the field about 3½ months behind* schedule, but this delay could be made up before next summer —when the field is due to start production—if the offshore work of installing and hooking *together the various equipment* modules proceeds smoothly. Once the jacket has been anchored firmly in place in the next *few weeks* by steel piles driven into the seabed, the next task will be to lift into place the 3,000 tonnes steel deck, which has been constructed in Holland.

This frame will support the 14 other equipment modules, such as processing units, accommodation quarters, drilling rig, power stations and helicopter pad, which should be installed by the late autumn. Conoco estimates that it will need at least 50 clear days to instal all the different items of equipment that are necessary to complete the platform. The hooking up and commissioning of the various units will last throughout the coming winter and next spring.

The steel jacket was designed by *CJB-Earl* and *Wright*, the Anglo - American partnership, which was established especially to tender for offshore work in the North Sea. It has done similar work on steel platforms for fields such as Thistle, Ninian and Montrose and is seeking further work from the Conoco group for the development of the Hutton Field.

Delay

Construction of the Murchison jacket at J. Ray McDermott's yard at Ardesier, about 10 miles *to the east of Inverness, fell* behind schedule last year when work was halted by an eight-week strike.

Progress was further hampered when a massive crane, *specially built for lifting the* frames of the Murchison jacket into place, collapsed at the site. The accident seriously threatened the construction timetable, but in the event McDermott was *able to build alternative cranes*, which were installed in time to handle the major lifts.

Altogether 35,000 tonnes of steel for the platform were made and rolled by the British Steel Corporation at two of its Scottish plants, but a further 8,000 tonnes of steel was shipped in from Japan. More than 70 per cent of the contracts for construction and services on the Murchison Field have been awarded to British companies, but as the orders for Conoco are completed *several of the companies, in par*ticular some of the fabrication yards, are facing an uncertain future.

The workforce at McDermott's own yard at Ardersier was cut by 500 in May because of uncertainty over future orders and the other major platform yards are also facing the threat of large-scale redundancies. *This year McDermott has floated* out two large steel jackets. The first structure was built for Petrobras, the Brazilian state oil company, for installation on the Namorado field.

The £9m jacket was towed out in the middle of the winter but was moved only as far as the southern North Sea off the English coast near Hartlepool, where it sank in a storm.

At the nearby platform yard of Highland Fabricators at Nigg Bay on the Cromarty Firth nearly three-quarters of the 1,600 workers face redundancy by early September. Both Highland Fabricators and McDermott have been hit hard by their failure to win the last two North Sea platform orders to be placed for the North Cormorant and Maureen Fields.

In recent weeks the Nigg Bay yard has been completing work on small orders for equipment for Amoco, Chevron and Texaco and is facing the winter with only the contract for the *main steel jacket for Shell/* Esso's Fulmar Field remaining. This should guarantee some work until next spring, but both the yards near Inverness, McDermott and Hitab are bidding hard for new work. McDermott will continue work through to next summer completing a cellar deck for the Beatrice Field and piles for the Fulmar Field.

Both yards are setting great hopes on securing the next important order to be placed for the UK sector of the North Sea, the steel jacket for British Petroleum's northerly Magnus Field. That contract should be awarded in the late autumn and it could be followed next year by orders for several other fields, which are now coming near to development decisions.

Plans

The group of companies led by Marathon, which is intending to develop the Brae Field in the central North Sea, is seeking permission this summer from the Department of Energy to go ahead with the project, and the Mobil group is planning a second platform for the Beryl Field. Both these structures are expected to be conventional steel jackets. The Amoco group will be going out to tender in a few months' time for a steel structure for the North West Hutton Field.

The recent order for the North Cormorant platform was awarded to a partnership of the Scottish yard at Methil, Fife, run by Redpath de Groot Caledonian, and the French company Union Industrielle et d'Entreprise, based at Cherbourg. Even this order was not sufficient to stave off redundancies at Methil, however, and RGC announced in July that about 300 of its 800-strong work*force would be losing their jobs* by the autumn.

According to Dr. J. Dickson Mabon, the former Energy Minister who is now chairman of RGC, even if new work is won before the redundancy notices expire, it will make no difference. "Our objectives are to break even by next March and to get down to a workforce by early in October which we can keep stable and in full employment."

These three established steel fabrication yards were not helped earlier this year when Phillips Petroleum decided to award the contract for the jacket for its Maureen Field to an entirely new partnership consisting of Chicago Bridge and Iron and the Glasgow-based Weir Group.

The main jacket will be built at a yard at Hunterston on the Lower Clyde, which was built with £7m of Government money and which has lain empty and unused for five years. But the contract will create about 450 jobs for two years in an area of high unemployment. At the same time more jobs will be created at Loch Kishorn, where the Anglo-French-Dutch partnership of Howard-Doris-NAPM is to build the Maureen deck.

In the longer-term, many North Sea oil companies will be looking increasingly to sub-sea production systems to replace costly fixed platforms. At the Murchison Field Conoco has taken the oportunity to experiment with some new sub-sea technology using the three existing satellite wells that were originally drilled to discover and appraise the field.

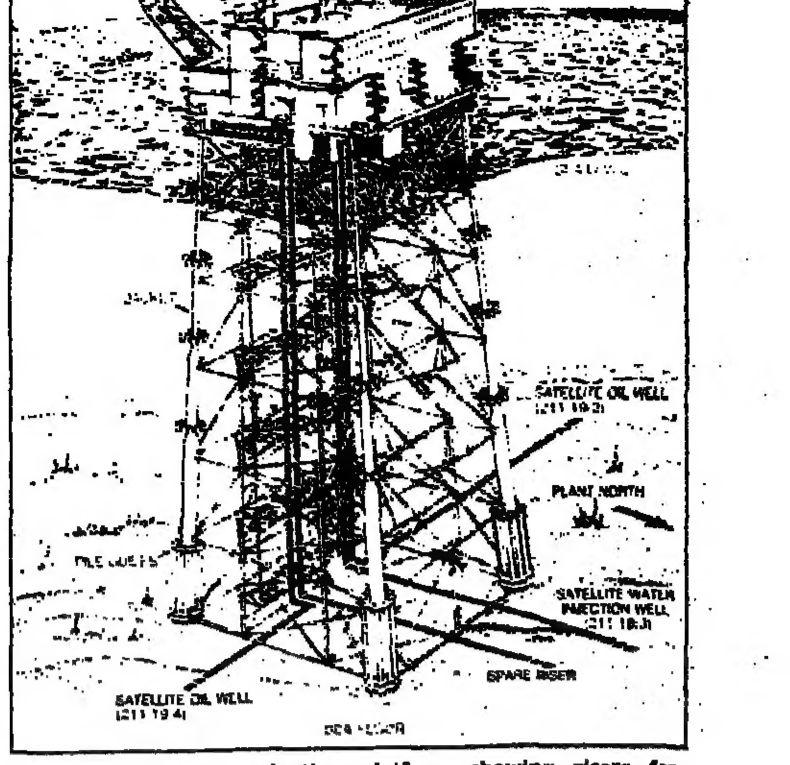
The system of three sub-sea wellheads will allow production to begin at a higher rate when the pipeline and production facilities on the platform are complete. Two of the satellite wells will produce oil and the third will be used for water injection to maintain pressure from the beginning of production.

Water injection will be used from the very beginning and should help to ensure recovery of at least 45 per cent of the oil in place. When the field is in full production about 150,000 barrels of water a day will be injected into the Murchison reservoir to assist recovery, rather more than the average of 130,000 barrels day of crude *oil that* will be produced.

The small diameter pipelines, which will link the sub-sea wells to the platform, will be installed next spring. An original approach has been devised for transporting them *to the field*. The lines are being constructed on land and will be towed out in complete sections, the longest measuring nearly 1¼ miles.

The pipelines will be towed on the 300-mile journey six to 10 feet off the sea bottom, supported at either end by sleds, which themselves are attached to tug boats on the surface. *When other pipelines or even* old wrecks are encountered the trailing tug will hold back, increasing tension in the tow lines and causing the pipeline to "fly over" the obstacles with a clearance of about 90 feet.

Kevin Done



Murchison Field production platform showing risers for satellite subsea wellheads.

Tests show area's high potential

ON JULY 11, 1975, a Conoco-led offshore exploration group began drilling a "wildcat" well on North Sea block 211/19, just over a mile from the UK/ Norwegian median line. Seismic surveys had already *indicated that the underlying* rock structure was similar to formations which contained several oil fields already discovered in the area.

By the beginning of September the assessment of the seismic data had been proved correct. The well had discovered a light, high quality oil in about 385 ft of productive layer of sandstone. Two drill stem tests flowed the low-sulphur crude oil at rates of 1,350 and 5,800 barrels a day. It was the encouragement that Conoco needed.

Almost immediately the group began drilling again. The second well was sunk to the north of discovery hole and encountered similar geological conditions. By January 17, 1976, yet another well had been drilled, this time somewhat closer to the median line. Again it was a success—indeed, the results from the logging and *coring* tests were so similar to those of the previous two wells that Conoco did not bother to run a flow test.

A further well was sunk in block 33/9 in the Norwegian *sector of the North Sea to test* the eastern extension of reservoir, but by then the exploration group had a very good idea of the field's layout. Murchison—named after Sir Roderick Murchison, the *19th* century Scottish geologist—had emerged as one of the tidiest fields in the North Sea.

Location

Almost square in shape, and some 3,300 acres in extent, Murchison is flanked by faults on three sides (south-east, *south-west and north-east*) and the oil-water contact to the north-west.

The oil is trapped some 9,900 feet below the seabed on a titilted fault block—a sloping *layer of sandstone about 400* feet thick. The formation, known as the Brent Sands, dates back to the Middle Jurassic period around 150m years ago.

The Jurassic has been proved *as the most oil prolific of all* the reservoir rocks in the North Sea. It contains about 20 named UK oilfields, among them some of the biggest on the Continental Shelf—Brent, Statfjord, Thistle, Ninian, Piper, Claymore and Magnus.

These northerly fields are located mainly in the geological trend known as the Viking Graben—essentially a complex *subsided rift running roughly* along the line of the UK/ Norwegian median line. This rift possesses a number of complicated fault-block features containing oil at depths of *between 9,000 and 12,000 ft.*

Most of the exploration activity in the Viking Graben took place between 1970 and 1977 when no less than 227 wildcat and appraisal wells were sunk. Of these, 93 were unsuccessful and 43 discovered oil or condensate (very light oil).

Mr. Dick Fowle, exploration director of British National Oil Corporation, told an offshore conference in London last year *that the success ratio of this* drilling activity, particularly in the 1970-76 period, was extremely high; far higher than the worldwide average and the average for the UK Continental Shelf as a whole. For instance, between 1970 and 1976, oil companies discovered oil in one out of every three wells sunk there.

Clearly exploration and *development work in this part* of the North Sea has reached a comparatively mature stage, particularly on the major tilted fault blocks. According to Mr. Fowle, the few remaining unexplored blocks are relatively small—"but obviously have high potential for successful discoveries."

Companies will have to accept *that future fields will be much* harder to find than Murchison. They may be hidden in traps associated with complex faulting or erosion; traps difficult to identify without drilling. (A case in point is the Brae Field, much further south. No less than 13 wells have been drilled on the Brae structure which is thought to be a series of linked stratigraphic traps.)

In addition, it is quite possible that oil found in such traps at levels below 12,000 ft will—because of the nature of the rock—flow far less freely than the oil encountered in the northerly fields now under development.

Oil analysts at stockbrokers Wood, Mackenzie have shown that companies with interests in *these northerly fields can, in the* main, expect to recover between 40 and 50 per cent of all the oil trapped in the reservoir rock. Murchison's recovery factor, for instance, is put at about 40 per *cent, while those with interests* in Thistle, Statfjord and, perhaps, Magnus and Brent can expect to recover half of the available oil.

It may come as a shock to a *lay reader that over half of the* available oil will be left in the ground, even after a field's development, but this is one of the sad facts of oil industry life.

It is impossible to recover all of the oil in a reservoir. Some of the crude may be isolated from production wells by faults and other geological blocks. Even in a produced zone, a substantial fraction will be left, *trapped as tiny droplets of oil in* minute rock pores. That said, the recovery factor for Murchison and other northerly fields should be judged against the worldwide average of *nearer 30* per cent of the original oil in place.

Looking at the East Shetland Basin as a whole there are some 10 commercial oil fields either on stream, or under development. The amount of oil remaining to be recovered from them is almost 6bn barrels—enough in itself to keep Britain fully supplied with oil for well over eight years.

But it will not stop there, for there are a number of other development projects in train in the area. And again Conoco and its Murchison partners (Gulf and BNOC) could play an important part.

The trio are among an eight-member consortium expected to use a revolutionary platform design for the exploitation of the Hutton Field which lies between the Cormorant and Brent dis*coveries. A decision* to apply for Government development approval is expected shortly.

The platform system being considered by Conoco, as the field's operator, would not be a steel structure as in Murchison's case, but a floating structure tethered securely to the seabed.

Valuable

Such a system is considered to be particularly applicable to deep water fields. It seems, therefore, that Hutton might be *used as a test bed* for the design. Hutton does not lie in particularly deep waters compared with some North Sea reservoirs—482 feet to be exact. Murchison, by comparison, lies under 512 feet of water. However, the platform's performance there will provide valuable information to Conoco and the industry at large.

Hutton *has estimated recover*able reserves of about 250m barrels. The development system could cost between £600m and £700m.

Located alongside Hutton is *the North West Hutton Field* which the Amoco group wants to exploit through a conventional steel platform production system. This field (containing between 250m and 300m barrels of recoverable reserves) could cost about £500m to develop.

Further to the north-west, Shell/Esso's Tern Field in block 210/25 looks like being another candidate for development, albeit at a later date and probably after the drilling of further appraisal wells.

Like Hutton and North West Hutton, Tern lies very close to an oil-gathering line in the Brent pipeline system. There is a very good chance, then, that these fields will help to maintain the level of throughput at a time when production from some of the fields developed earlier begins to decline.

This, then, is one of the major advantages of a prolific oil-producing region like the East Shetland basin. Fields can be developed using common transportation systems. Their exploitation can, to some degree, be timed so that maximum benefit can be gained from these costly shared facilities.

And there are encouraging indications that there are more fields still to be discovered in the area. They will probably be smaller than Brent—or *Murchison* for that matter—but they will be a valuable addition to Britain's reserves nonetheless.

Ray Dafter
Energy Editor

Tight controls aid progress

THE $700m platform for the Murchison oil field is a work of very many hands. Its living accommodation and production systems are the result of a highly complex and closely co-*ordinated building programme* in the UK, Holland, France and Norway.

Fabricators from these countries won the contracts two years ago to supply the 14 modules, the helicopter deck and the gas flare boom which will occupy about 1.3 acres at the top of the North Sea's most northerly, and second tallest, production platform.

Most of these different components are complete and are to be transported to the Norwegian coast, from where they will be towed to licensed block number 211/19 in the East Shetlands Basin where production is scheduled to begin next summer. When erected on the 25,000-ton jacket, they will bring the total weight of the entire platform to 50,000 tons—and its height to 866 feet — a third higher than the Post Office tower in London.

However, the progress so far in this international construction project is a tribute to the tight management control by *Conoco, which for the first time* will operate a North Sea oil field, as opposed to merely being a participant. Conoco went to the length of reorganising itself and formed a special project team of selected staff, directed by Mr. Tom Marr.

This appears to have been a very shrewd move, adding muscle and weight to its determination to achieve progress on as broad a front as possible. Bechtel International acted as projects services contractor, but Conoco people made the major decisions with work following as close as possible to the plans.

The reasoning behind this tight control was to avoid the *expensive delays experienced on* other North Sea fields caused partly by letting builders design the platforms as they went along.

The design of all the "top side" facilities was entrusted to Matthew Hall Engineering, which has been involved in seven other North Sea platforms. It designed the drilling facilities, oil and gas production, water treatment and injection, living quarters, utilities, safety systems and module design, leaving the finer details to Bechtel, whose supervisors worked alongside Conoco's own men in the various fabricators' yards.

A major feature of Matthew Hall's approach was the building of design models, believed *to be the first time such a* method has been used in constructing an offshore platform. It is now following a similar system for the platform of British Petroleum's Magnus *Field*.

It was in late 1976 that Matthew Hall was appointed to plan the superstructure of the Murchison platform, comprising 16 prefabricated modules, for a *production of 164,000 barrels* a day, based on ten production wells and 17 for sea water reinjection into the oil field.

The living quarters were to house 198 personnel in a "warm and cheerful atmosphere," which could be self-sufficient for three weeks, working 24 hours a day, for 25 or 30 years. The brightly-coloured fabrics and furnishings were to dispel any *feelings of claustrophobia.*

The result has lived up to this brief. The Murchison accommodation quarters are possibly the best available on the North Sea. Descending by lift from the helicopter deck, the new arrival finds himself in a bright carpeted reception area worthy of a de luxe motel. After work, he can write a letter in the lounge, read in the library, play on the full-size billiards table, watch a film in the tiered cinema with its 100 seats, or wash his clothes in the launderette.

The aura of comfort is increased by Conoco's requirement that the two three-storey modules should be built of stretched steel skin rather than hung on heavy frames. On the interior, stainless steel surfaces have been avoided, in contrast to the "fish shop" appearance of quarters on other offshore platforms.

Mr. Tommy Tucker, Matthew Hall's Murchison project manager, who visited the finished accommodation modules at Redpath Engineering's Linthorpe Dinsdale yard on the Tees in June, later said that they were among the best "if not *the* best so far."

The yard itself was praised by Mr. Dennis Gregg, Conoco's vice-president and general *manager of the Murchison* project, who said the work of Redpath, a subsidiary of Redpath, Dorman Long, was "a credit not only to Teesside, but to the UK as a whole." Whenever components had *failed to* arrive on time, the yard's personnel had shown themselves to be "good scramblers," he said.

Contracts

RDL, which also built the helicopter deck, is one of the three UK fabricators which won contracts for Murchison *modules. The other two* were Whessoe, RDL's neighbour on the Tees, and William Press Production Systems, on Tyneside, which won two packages each.

The European fabricators were Ponticelli, in Bordeaux, De Groot, Rotterdam, and A/S Nymo Mek, Verksted, Norway.

By and large, they appear to *have vindicated those* who awarded the contracts. Only William Press has failed to complete some of its work, suggesting that it may have been unwise to give it more than one package of modules to construct. William Press, however, has blamed delays on extensive design changes made in the course of construction.

Yet *all the* contracts were won against keen competition in a market strongly favourable to the customer. Initially, 34 contractors were approached out of more than 80 in the UK, Western Europe and Scandinavia. The quotations were then judged on the basis of 200 variable factors, and awards were made on a weighted points basis. Since this produced a list of more than 30 viable fabri-

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MURCHISON PLATFORM—THE MODULE MAKERS

RDL North Sea, Teesside
Two accommodation modules and helicopter deck.

William Press Production Systems, Tyneside
Two production processing modules;
Compression module and gas sales module.

Ponticelli, Bordeaux
Two wellbay modules.

Whessoe, Teesside
Drilling power and mud modules and drilling substructure.

De Groot, Rotterdam
Two utilities modules.

Whessoe, Teesside
Switchgear and heat recovery unit.

A/S Nymo Mek. Verksted, Grimstad
Flareboom.

Boundary problems

WHEN Mother Nature distributed oil and gas fields around the world she had little regard for national boundaries. This is becoming apparent in the North Sea where some of the most attractive fields — Statfjord, Frigg and Murchison—straddle the UK/Norwegian median line.

This gives rise to a number of problems. For a start, the Governments of each country are anxious to make sure that their own natural portions of cross-frontier fields are exploited to their maximum potential. This is important in terms of each country's tax-take and oil supply security.

Secondly, it gives rise to ments between the two groups of partners on each side of the boundary. In Murchison's case, these groups involve three on the UK side, and nine in Norway, although Conoco has a stake in each.

Thirdly, there is the problem of transportation. Will the oil and/or gas be landed in Britain or Norway? Usually, the pragmatic solution would be dictated by the consortium with the bigger share of the field. And this is the cas ewith Murchison.

Reserves

Murchison, contains an estimated 350m to 400m barrels of recoverable reserves of which—according to the average estimates of the various companies involved—some 83.75 per cent are under British waters. The appointment will be redetermined several times during the life of the field, however, and it will not be until towards the end of the production cycle that the partners will be sure of the field's exact position.

As it is, the partnerships feel that a higher proportion of the reserves are to be found on the British side than was thought shortly after the field's discovery in 1975. Then, it was considered that about 75 per cent of the reserves were British.

Coincidentally, recent studies of the nearby Statfjord Field seem to have confirmed a similar trend although in this case the major part of the reserves is in the Norwegian sector. Recent reports have suggested that the British partners in Statfjord—Conoco, Gulf and British National Oil Corporation—could have as much as a 15.9 per cent share of Statfjord instead of the presently designated 11.12 per cent share. If that increase is confirmed it could boost Britain's share of recoverable reserves by as much as 140m—such is the size of Statfjord.

Statfjord and Murchison not only are located very close to each other (they are in adjacent blocks in each of the UK and Norwegian sectors), but they also involve the same groups of companies. Consequently, the idea was raised within the fields' consortia that a special trading arrangement should be set up for Statfjord and Murchison oil.

In essence, it was suggested that those with interests in the UK sectors of the two fields should handle all of the Murchison oil (the reservoir being mainly in the British sector) while those companies with a stake in the Norwegian sectors should be responsible for the distribution of all of Statfjord's crude. Such an arrangement would have been an extension of crude oil swap deals which are commonplace within the oil industry.

Although the concept is simple, it would need some complicated refinements; the groups would have to agree on ways of balancing unequal quantities of oil which, in themselves, are of a slightly different quality.

For instance, the Murchison crude has a gravity of 37 degrees API whereas the Statfjord oil is a little lighter, between 37.9 degrees and 41 degrees API.

The swap idea has been shelved, at least for the time being, and the Murchison and Statfjord distribution systems are being developed separately. Murchison's oil will be transported ashore via the Brent Pipeline System, jointly owned by the participants in the Brent, Dunlin, Thistle, Cormorant and Murchison fields.

First, the Murchison crude will be taken by a 16-inch diameter pipeline to the Dunlin Field, some 10 miles away. This line will be wholly owned by the Murchison participants.

From Dunlin the oil will be carried in a 22 miles long, 24-inch diameter pipeline to the Cormorant Field. This particular stretch of the Brent system will be shared by interests in the Dunlin, Thistle and Murchison projects. Finally, the crude will be transported through the main 36-inch Brent trunkline, from Cormorant to Sullom Voe in the Shetland Islands, some 96 miles further on.

The Murchison partners have a 12.8 per cent stake in the Brent pipeline system, a proportion dictated by the level of Murchison's peak production. It is a stake which was originally earmarked for the Hutton Field partnership (seven of the eight Hutton partners have an interest in Murchison anyway). The Hutton consortium is expected to announce its own development plans shortly with the field's oil possibly being fed into the Brent system via the North West Hutton Field.

Facilities

The Brent system — like the major Ninian Field pipeline—feeds oil into what is fast becoming Western Europe's major oil terminal. The Sullom Voe project will cost over £1bn on current planning although it is quite likely that further facilities will have to be provided as new discoveries are made to the north, west and east of the islands.

Sullom Voe is designed at present to handle 1.4m barrels a day of crude oil—the equivalent of about 70 per cent of Britain's domestic oil needs. Construction work is now about 60 per cent complete and current crude oil throughput is running at approximately 450,000 barrels a day.

A combination of construction delays, both offshore and at Sullom Voe, will mean that it will be towards the end of next summer at least before the terminal will be able to handle "live" crude, that is crude oil containing gas and natural gas liquids. The terminal can, at the moment, accept only "dead" crude that has been processed offshore.

The gas needs to be separated from the oil to yield products that can be safely transported. By a process of heating and de-pressurising, the gases will be separated from the oil at Sullom Voe and then compressed, dried and broken down into their individual fractions to field methane, ethane, propane, butane and some heavier hydrocarbons compounds.

Plans

The methane and ethane will be used as a mixture to fuel the terminal's own power station while the propane and butane gases will be refrigerated and stored before shipment to the chemical and energy industries.

Present plans indicate that some of the Ninian crude will be the first to be processed in this way, towards the end of the summer of 1980. All being well, the full facilities should be in operation by the winter of 1980-81.

This timescale means that for a short initial period, at least, the Murchison partners will have to re-inject into the field the valuable natural gas liquids. The dry gas produced with the oil will be used partly as a fuel on the platform and partly as an aid to crude oil production.

Two wells will be used for gas injection and 10 for water injection. The gas and water will have the function of "sweeping" the oil towards producing wells. Eventually the associated natural gas will probably be recovered and sent ashore, possibly via the Brent system.

At least the Murchison group will not be flaring and wasting vast quantities of natural gas. UK last year operators flared UK operators last year flared into the atmosphere an average of 440m cubic feet a day. At the moment, with considerable flaring fro mthe Brent Field, the wasted output is nearer 600m to 700m cfd—some 14 per cent of Britain's needs. Apart from the flaring which normally occurs during the commissioning period, the Murchison partnership is not planning to dispose of its natural gas in this way.

Not that there is as much natural gas in Murchison as there is in some of the other nearby fields. For instance, the gas/oil ratio of Murchison is an estimated 530 cubic feet per barrel of oil; in Brent the ratio is nearer 1,800-1,900 cubic feet/barrel.

Although the transportation plans of the Murchison partners are well advanced, one important problem remains to be resolved. It is not yet clear how the Norwegian partners will pay for their share of the pipeline transportation costs for they are not members of the Pipeline Operators' Management Committee (POMC) established by the UK groups with interests in the Brent system.

Two particular alternatives are receiving close attention: (a) the Norwegian partners could invest in the pipeline project (perhaps with the UK Murchison partners acting as trustees); or as a second best, (b) the UK partners could carry the Norwegian consortium's share of Murchison production through a tariff arrangement.

Whichever method is chosen—and even the trading option cannot be totally discounted—it is certain that the solution will be found and ratified in time for the start of Murchison oil production next year.

Sue Cameron

Oil production

CONTINUED FROM PAGE 1

early 1983 it will be ready to produce as much as 40m cubic feet a day of natural gas.

A short 15-mile pipeline link to the Brent gas trunkline could be planned and built in about 12 months. But if the new gas-gathering trunkline is built alternative plans will have to be developed for Murchison gas if flaring is to be avoided in the early 1980s.

Murchison is being developed by a group of 12 companies. The field straddles the median line between the UK and Norwegian sectors of the North Sea, but the various participants have agreed to exploit the find as a single unit in a similar manner to the much larger Statfjord Field nearby.

The initial unitisation agreement was settled earlier this year. It established that the largest share of the field, 83¾ per cent, lies on the UK side with the remainder in the Norwegian sector. The shares could be revised later as more knowledge becomes available from the development drilling.

Conoco is a member of both the British and Norwegian groups. On the UK side its partners are Gulf and the British National Oil Corporation, while on the Norwegian side it is part of a nine-company group consisting of Amerada Hess, Texas Eastern, Amoco Exxon, Mobil, Saga, Shell and Statoil.

Conoco and Gulf were the first oil companies operating in the North Sea to reach a participation agreement with the UK Government covering the sale of part of their Murchison crude oil to BNOC. As a result they received one of the most favourable deals secured by any North Sea operators. BNOC will have an option to buy no more than 23.2 per cent of each company's gross oil production from Murchison, at market price, and the full option can be exercised only in the sixth year after commercial production begins.

The unitised development has proceeded fairly smoothly, but harsh words were exchanged between the Norwegian and UK Governments earlier this year when it was realised that only a small part of the work, probably less than 5 per cent, has been undertaken in Norway. The main construction work on equipment has been done at five yards in the UK, Holland and France, and Britain has taken more than 70 per cent of the contracts for equipment and services.

The row blew up when the UK began to complain that it was missing out on orders for the other, much larger, Anglo-Norwegian field development: Statfjord. The dispute was defused, however, when it was shown that Conoco had placed all its contracts on the basis of open competitive bidding. At the time the Norwegian yards proved uncompetitive against the prices offered by most of their European rivals.

Anglo-Norwegian partnership

IN APRIL, 12 oil companies met in London to sign a unitisation treaty on the Murchison field, which straddles the line dividing the Norwegian and UK sectors of the North Sea.

The point of a unitisation treaty is that it enables companies working on either side of the boundary line to undertake a joint development instead of running two separate operations right next to each other. Shares in the joint venture are divided between the Norwegian and UK partners on the basis of how much oil each group has on its side of the line.

Initially it is impossible to do more than estimate how much oil is available on either side of the line. As production gets underway and the picture becomes clearer it is therefore often necessary to renegotiate unitisation agreements.

During the last year this is what has been happening on the Statfjord unitisation treaty—one of the first to be completed. The Statfjord field was originally divided so as to give 89 per cent to the Norwegian partners and 11 per cent to the UK ones. A Statfjord renegotiation committee has been meeting to consider the new basis for unitisation, but its task is not proving an easy one. The Murchison unitisation treaty gives the UK licensees group an 83.75 per cent share in the field, while the Norwegian partners have 16.25 per cent between them. There are three UK-based partners and nine Norwegian companies involved.

The UK partners are headed by Conoco North Sea, which discovered the Murchison field in 1975 and which is now the operator for both the UK group and for the whole unitised field. Conoco has a 27.92 per cent share in Murchison, as do the two other British partners—Gulf Oil and the British National Oil Corporation.

The Conoco group, which is U.S.-based, has a further share in Murchison via its Scandinavian subsidiary Conoco Norway, which has a 1.63 per cent interest. Statoil, the Norwegian state oil company, has an 8.13 per cent share, Mobil Exploration Norway has a 2.44 per cent share. Norske Shell has 1.63 per cent, Esso Exploration and Production Norway 1.63 per cent, Saga Petroleum 0.30 per cent, Amoco Norway Oil 0.17 per cent, Amerada Petroleum of Norway 0.17 per cent and Texas Eastern Norwegian also 0.17 per cent.

The unitisation agreement on Murchison, which has estimated recoverable reserves of between 350m and 400m barrels of oil, is of course "subject to periodic adjustment as additional information becomes available from development drilling."

The greater part of the Murchison oil is on UK block 211/19 in which BNOC, Conoco and Gulf each have a 33.3 per cent share. The rest is on Norway block 33/9 in which Statoil has a 50 per cent interest, Mobil 15 per cent, Conoco Norway, Norske Shell and Esso 10 per cent each, Saga Petroleum 1.88 per cent and Amerada, Amoco and Texas Eastern 1.04 per cent each.

Conoco, the discoverer and operator of Murchison, already has a sizeable stake in the North Sea as a whole, and it expects to be producing over 100,000 barrels a day all told by the mid-1980s. It is the operator on the Hutton field, where development is expected to go ahead later this year or early next year, and it is also the operator on the Viking gas field.

The group's current and planned expenditure in the North Sea is £500m, and the Murchison field itself has proved to be one of Conoco's biggest investments in a single project anywhere. It has interests in the Statfjord, Thistle and Dunlin oilfields and it carries out substantial exploration work in the North Sea. Last month (July) it made a gas discovery and in March this year it discovered oil on block

Conoco also has a 130,000 barrels a da yrefinery on Humberside which is ideally sited to take North Sea crude. The refinery, built in 1969, was in fact designed to take low sulphur Libyan crude—a similar crude to that of the North Sea—but a large part of its throughput now comes from the North Sea fields. Part of the production from Murchison will be refined at Humberside.

The group reckons that production from Murchison should start in the second half of next year as scheduled. There have been hold ups in the planned programme for Murchison—mainly caused by the collapse of a giant crane at the Ardersier yard in Scotland and by a strike there—but Conoco is still confident that the field will start production on time.

Production

The group has introduced a number of new techniques to the development of Murchison, and for the first time work on the platform will be able to go ahead during the autumn months—previously companies have always had to wait for the brief summer weather window. Conoco itself claims it is now beginning to get a reputation for taking a new look at ways of doing things.

Gulf, one of the other major partners in the Murchison field, is investing almost as much as Conoco in the North Sea. The group reckons that by the mid 1980s its North Sea expenditure will total some £480m. By 1983 it expects to be lifting 80,000 barrels a day from the Continental shelf.

It has interests in the Dunlin, Thistle, Statfjord and Hutton fields as well as Murchison, and it is the operator on a number of North Sea blocks though not on any fields as yet. Exploration work is now taking place on some of the blocks where Gulf is the operator and the group sees the North Sea as an area of increasing importance. Gulf will be looking to the North Sea as a major source of revenue over the next ten years, and it points out that the continental shelf is already the biggest single investment area for the group outside Notrh America. It says that in the next few years the North Sea will be a "key" place for Gulf investment.

The third of the three major partners in the Murchison in the British National Oil Corporation. The corporation has played a growing part in the North Sea since it was set up in 1976 and now participates in the development and operation of all UK continental shelf officials.

Participation agreements give it the right to buy 51 per cent of most North Sea oil production, and this has made BNOC a major crude trader—it has no refineries of its own. Aside from this it also ranks as one of the major North Sea operators, although not on the same scale as British Petroleum, Shell and Esso.

It is the operator on the Thistle field and the Beatrice field as well as on over 30 North blocks and in addition to this it has equity interests in Dunlin, Ninian and Statfjord. Altogether the corporation has an interest in some 1bn barrels of recoverable reserves, including all its finds.

The Norwegian group of companies with an interest in Murchison all have considerably smaller shares than the three UK partners. But a number of them are part of major oil groups which are playing leading roles in developing the North Sea. Norske Shell and Esso Exploration and Production Norway are part of the Esso and Shell groups, for example.

Shell and Esso both have interests in a large number of North Sea fields including the huge Brent field with its 220m tonnes of estimated recoverable reserves.

Other Norwegian partners which belong to groups with substantial interests in the North Sea as a whole are Amoco Norway and Mobil Exploration Norway. Last month Amoco was given permission to go ahead with the development of the North West Hutton field. Meanwhile, the Mobil group—Mobil is the operator on the Beryl field—is currently producing 115,000 barrels a day from the North Sea and is hoping to put forward plans for the development of the Northern part of the Beryl field soon.

Ray Dafter

Controls

CONTINUED FROM PAGE II

cators, the main consideration turned out to be price.

This in turn would be influenced by the fabricators' ability to handle the large barges, up to 100 metres long, needed to transport the finished modules, since any double handling would increase the cost. Where two similar fabricators gave an identical price, the final decision would be made on an assessment of their respective track-records for previous work.

However, Matthew Hall suggests that the cards were stacked slightly in favour of UK applicants. Of five fabricators invited to tender for each of eight module packages, three might well be British, theoretically giving UK companies a 60:40 advantage over foreign interests.

Differences

Assessing differences between UK and Continental yards, Mr. Tucker notes that the latter have in the past enjoyed a longer working week. But they were now coming closer to the 40-hour week common in this country. They would have to maintain their performance by making premium payments or putting more people on a job, where that was possible.

Even though a yard had to be large enough to handle some big projects, big was not always beautiful in terms of management. Ponticelli was small enough to let the customer feel he had some say over the progress of his contract. On the other hand, the Dutch De Groot yard was large, but had strong internal control.

A complaint heard about William Press was that it was reluctant to take advice. Since it did not appoint a project manager, one had to talk to the yard manager.

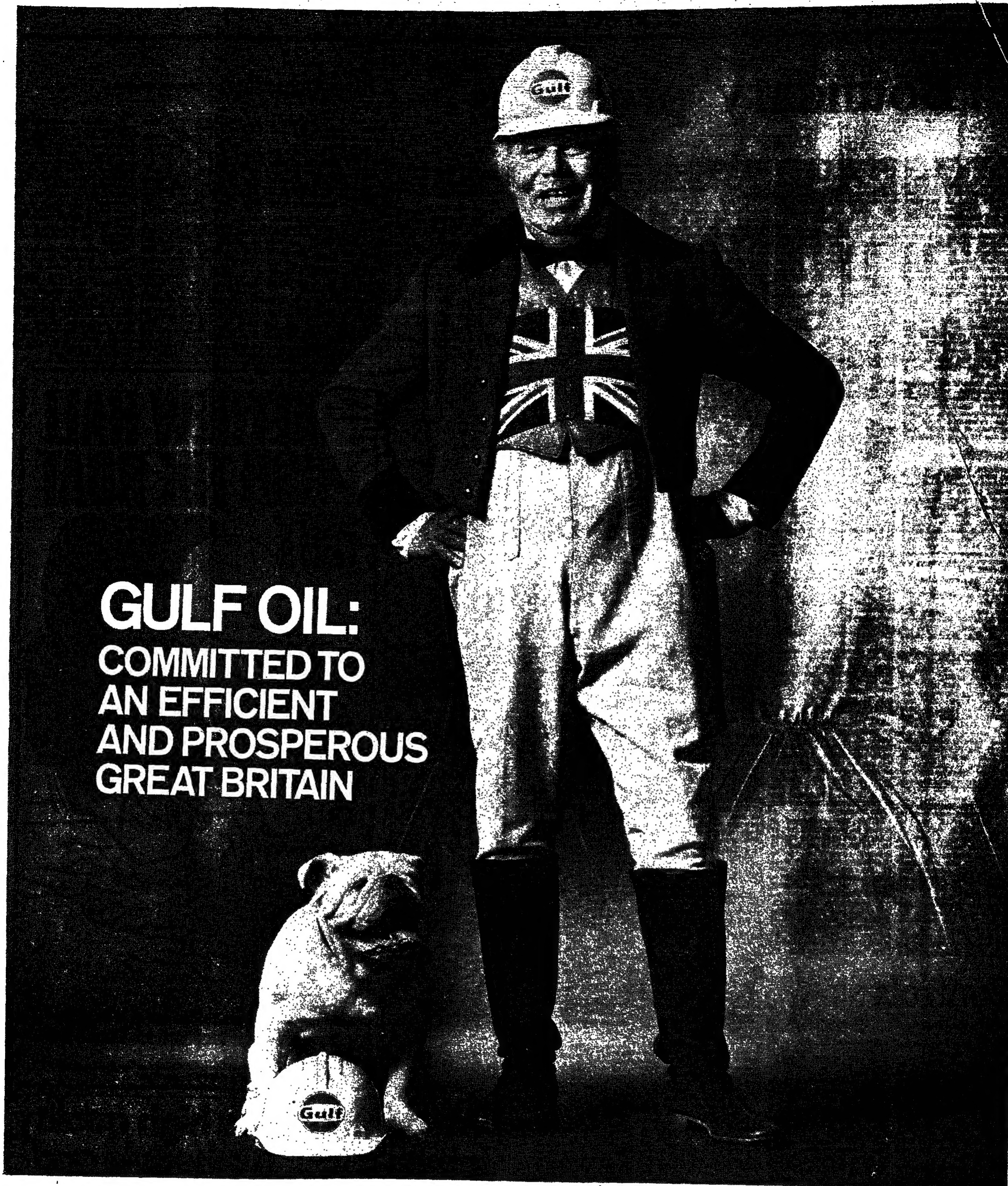
Seen through William Press's eyes, the problem looks different. The yard admits that it has had labour troubles, including a three-month strike on the Tyne in 1973, but claims that it has since adopted a "new approach" which works very well, including weekly shop stewards' meetings. Owing to some "niggling" half-day disputes "some days" had been lost, but it had enjoyed a "good relationship" with the Conoco site team at its Howdon yard.

It rejects the full responsibility for failure to complete some of the Murchison modules, blaming high winds in January, which cost it a day and a half, and design changes by Bechtel, accounting for more than 50 per cent of the contract, and doubling the original design weight.

Whatever the reasons, delays in completion of modules were made less crucial by the three-month delay in floating out the platform's steel jacket at Ardesier in Scotland. And any additional onshore cost can be set against the cost of completing onshore work after installation off-shore—said to be ten times greater.

Time also can be partly regained. When he visited Linthorpe Dinsdale recently, Dennis Gregg was hopeful that more than two months of the three-month delay on the jacket would be compensated by employing different barges and that, barring very bad weather, the Murchison platform would be hooked up on target by October.

Maurice Samuelson



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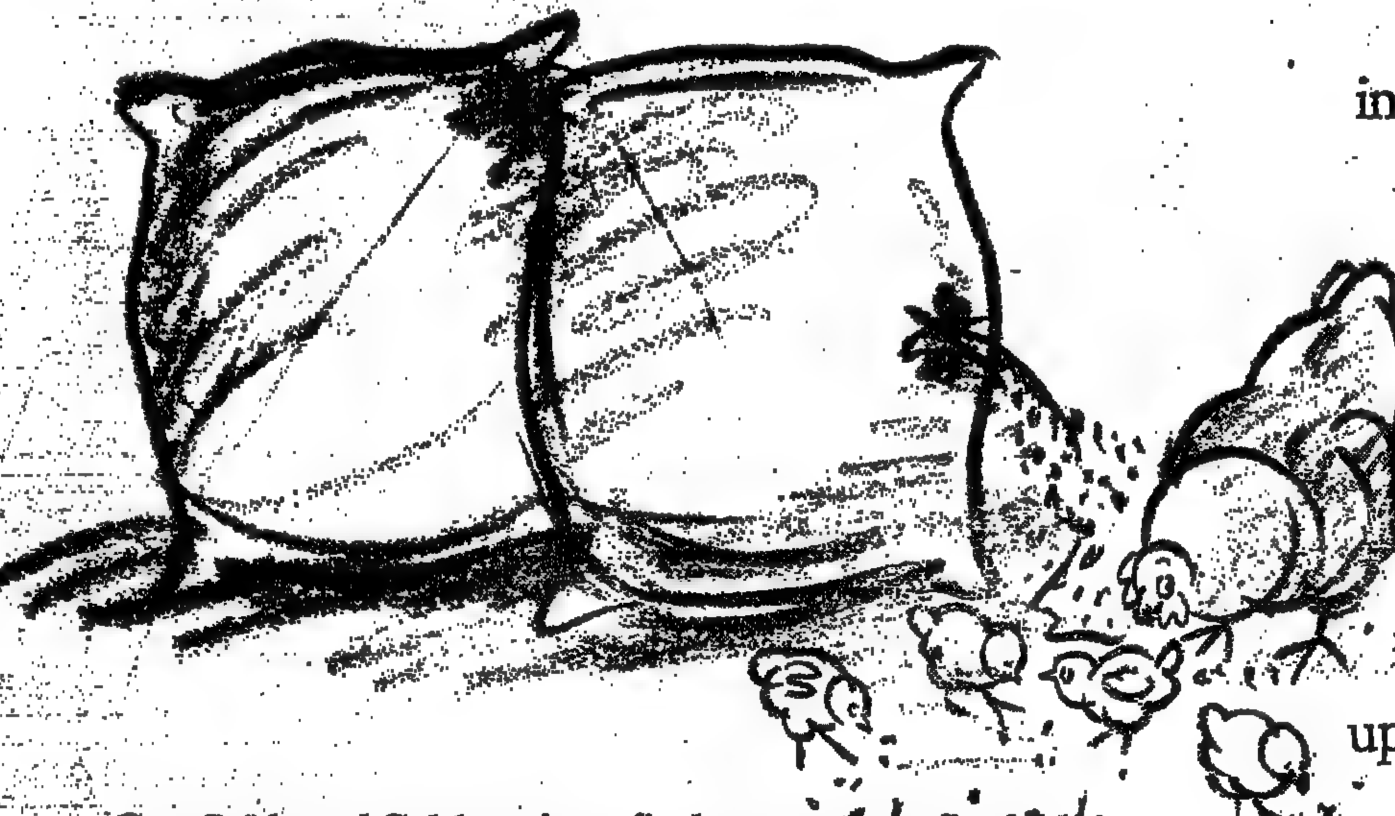
THIS ADVERTISEMENT IS ISSUED BY LAZARD BROTHERS & CO. LIMITED ON BEHALF OF DALGETY LIMITED.

We'll feed Spillers' little flour grader and build him up just like the rest of our family.

Profits of the Pig Improvement Company have increased fourfold since Dalgety took over 8 years ago.



Crosfields and Calthrop's profits have gone up fivefold since Dalgety bought them 5 years ago.

Since Dalgety took over Associated British Maltsters 6 years ago, profits have increased fivefold.

Like you, we have a soft spot for the little flour grader.

But he hasn't grown very much over the years, has he?

At Dalgety, however, we will give him the right support, so he can grow into a strapping great fellow.

One who will feel very much at home in the Dalgety family of companies in this country.

A thriving and prosperous family.

Our businesses dovetail very happily with Spillers'.

We are in cereals, meat and agriculture and so, of course, are they.

To give you some idea of the size of our operation in the UK, according to published industry figures:

One pint of beer in every six is made with our malt.

One supermarket egg in every twenty is ours.

One pig in every twelve is bred from Dalgety bred stock.

Together, Dalgety and Spillers would become a formidable force.

We are builders not strippers.

We hasten to add that we haven't achieved successes such as those we show here by buying up companies and stripping their assets.

We prefer to build businesses, as we have been doing now for over 100 years, and as we have already promised to do with Spillers.

But no doubt the Directors of Spillers will have their own point of view and we are sure they will put it to you strongly.

Understandably, you may be left in two minds. So may we make a suggestion?

Why not get an unbiased opinion?

Go to someone you know who will give you impartial and professional investment advice.

Take our offer document, this advertisement and Spillers' reply.

Ask him or her two questions:

1. Is your investment likely to show better growth with Dalgety, or with Spillers?

2. What will happen to the price of your shares if this merger does not take place?

We think we know what his advice will be.

And we look forward to a long and fruitful association with you.

DALGETY

THE DIRECTORS OF DALGETY LIMITED HAVE TAKEN ALL REASONABLE CARE TO ENSURE THAT THE FACTS STATED AND OPINIONS EXPRESSED HEREIN ARE FAIR AND ACCURATE AND THEY JOINTLY AND SEVERALLY ACCEPT RESPONSIBILITY ACCORDINGLY.

THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

John Elliott on the hopes and problems of an industrial co-op on Ulster's frontier with the Republic

Adventurous co-operation on the border

THE TROUBLE-TORN border area of Northern and Southern Ireland is not one of the first places that one would look to find a potentially significant development in community-run co-operatives. Yet such a development is taking place in the Catholic-dominated Ulster town of Newry and in nearby Crossmaglen. It is the result of an initiative by the area's retailers and businessmen who are concerned that the sectarian troubles of the past decade are leaving them and their children with little industrial or commercial future.

Unemployment in the town of Newry, which has a population of 15,000, stands at 30 per cent—the third worst level in the UK. There is little prospect of school leavers being found jobs, or of new small firms being found industrial premises.

The town is sited within a few miles of the Irish border in an area which the local Catholics insist was ignored until relatively recently by the old Stormont Government.

A few miles away is the Republic stronghold of Crossmaglen — a desolate village dominated by its beleaguered army post which was visited by the Prime Minister during her flying visit to Ulster last month.

Now, because of the initiative taken by local businessmen, an old factory in the centre of Newry has been turned into the Newry and Mourne Co-operative Society's headquarters, providing employment for 160 people. There is a Government-funded training workshop teaching 70 local youngsters various skills, plus premises occupied by a handful of other small businesses. In Crossmaglen, an old building just across the street from the army post is being renovated into another Government-backed training centre for about 30 school leavers.

Survival

The venture is regarded as a co-operative because it is owned by some 600 local people—mainly retailers and industrialists—who have subscribed between £1 and £1,000 each to the share capital of the society (although it owes its survival at present not to these subscriptions but to a £350,000 a year subsidy from the Northern Ireland Department of Manpower Services job creation programme).

The idea for the co-op came about six years ago from members of the local Credit Union —a co-operative type of local savings group which is quite common in Ulster (where 100 such unions have 84,000 members and £16m total assets) and also in North America. Credit unions can only invest in gilt-edged securities, so the Newry union could not itself start industrial businesses.

The union's members got together and decided to form a separate co-operative registered under Ulster's Industrial and Provident Societies Act with the primary aim of creating jobs and industrial opportunities in the area. Under the Act, shareholders have only one vote each, irrespective of the size of their investment, and only 5 per cent of the profits are distributed.

About half the retailers in the town have subscribed towards the co-op, along with some owners of industrial businesses; but hardly any of the employees have become shareholders. In total about £40,000 was collected in 1975-76 by a fund-raising committee which organised street and bingo-hall collections, a town square "barometer" showing progress, car stickers, and other activities. The Allied Irish Banks, which have a large branch in Newry, backed the project to the tune of £35,000, and another £25,000 (making a total of £100,000) was raised from a businessman with an interest in a factory bought by the co-op.

To begin with, the co-op started an upholstery business, which eventually failed because of a lack of local upholstery skills, a lack of orders, a poor product range, and inadequate supplies. Then a local Reckitt and Colman potato-processing factory which had closed, putting 140 people out of work, was bought by the co-op with its £100,000 and was christened the WIN (Work In Newry) Industrial Estate.

The co-op's policy is to spin off registered companies as subsidiaries to run its various projects, each company's shares being split in two with the co-op holding all the voting shares while other interests can have non-voting shares. This is done primarily to ensure that the policy-making is kept in the hands of the co-op itself which is run by a 15-man management committee on behalf of the 600 shareholders. The arrangement also helps to protect the co-op from the impact if any of its subsidiaries fail and close down (as happened eventually to the upholstery company).

In line with its devolved policy, the co-op set up a company called Newry and Mourne Developments to run the old Reckitt and Colman factory which covers 60,000 sq ft. The factory now has a number of small firms as tenants employing a total of 80 people and carrying on businesses that include a car parts distributor, a Volvo lorry servicing depot, and engineering workshop, a bathroom fittings manufacturer, and a car-seat cover manufacturer. Many of these are new businesses.

The training workshop takes up the major part of the factory and is run by a separate company called Mournecraft set up in December 1977. This is funded with the £350,000 Government grant covering one-year training periods for the school leavers, all of whom must be under 19 and have been unemployed for at least six months to qualify for the Government grants.

Frivolous

Mournecraft has not yet started selling any goods and is regarded primarily as a training concern. But its work provides the base for the co-op's future because it is hoped that several of the 80 or so youngsters being trained by 17 instructors will become good enough at their crafts to set up in business themselves, possibly with their instructors, either within the co-op or elsewhere in the town.

They are learning skills such as leatherwork, wood carving, harp and guitar making, furniture making, screen printing and pottery.

Sceptics say that these are frivolous skills that will stand the youngsters in little stead. The co-op's general manager, Frank Dologhan, who was one of the creators of the initial co-op concept and runs the business with a staff of four, denies this, however. He and the local businessmen who have encouraged the various co-op companies believe that there is a good enough tourist trade throughout Ireland to take the goods and that the dwindling basic industrial life of Newry provides little incentive for youngsters to learn basic industrial trades. The co-op may also become a subcontractor for certain lines to other businesses.

All this, however, is still in the future and the only commercial record of the co-op so far (apart from the training workshop and the rental of small business premises) is the upholstery business that eventually shut down, and another school furniture venture that has had to be shut, possibly only temporarily, because of a lack of orders. This can be traced back to cuts in government spending.

But the leaders of the co-op are pleased with what they have achieved, even though they have yet to make a significant mark on the unemployment of Newry. They are now developing the training workshop in Crossmaglen and have their eyes on another recently closed factory in Newry. They also want to develop other projects such as providing a managerial and administrative advice service for small firms, and a skills bank where the expertise of large companies can be directed towards small firms. A marketing company is also being set up which might enable the co-op to become an agency for handcraft goods made and sold in Ireland.

Like other co-ops, however, the Newry venture is short of capital and still carries out regular fund raising. Ultimately its founders would like to see it developing as a centre for a community of co-ops like the Mondragon bank and managerial advice centre in the Basque area of Spain, and as a State-backed development agency for the area.

First however it has to show that it can make a success of its initial role as a community co-op set up to "create jobs and make profit."

Harp-making: one of the crafts being learnt by youngsters in the workshops. It is hoped that, once trained, they might start up their own businesses.

Management abstracts

These summaries are condensed from the journals of abstracts published by Anbar Management Publications. Readers wishing to consult original texts should write to: P.O. Box 23, Wembley HA9 8DJ.

Co-ordination of National Legislation regarding Annual Accounts. L. Lourdez-Petit in *European Journal of Accountancy* (Journal UEC) (Fed. Rep. of Germany), Oct. 78/Jan. 79: p. 277 (19½ pages)

Compares in tabular form the requirement of the European Economic Community's 4th Directive and of the proposed 7th Directive with International Accounting Standards and with the accounting standards and procedures followed in UK, France and West Germany.

The Further Education of Company Personnel. D. Visser in Manager Magazin (Fed. Rep. of Germany), Jan. 79: p. 80 (4 pages, illus., in German, English version available).

Reviews the extent to which named German companies spend money to provide "further education" — both in-house and external—for their employees with particular reference to recent efforts to economise, and the effect such efforts have had (or have not had) on bookings for external courses.

Back to Basics in Marketing. H. R. Arnold in Absatzwirtschaft (Fed. Rep. of Germany) Mar. 79: p 24 (1 page, in German, English available)

A German marketing man suggests that marketers now rely excessively on information of one sort or another, so much so that they have little or no time left for direct contact with their market (which cannot be delegated).

EXECUTIVE HEALTH

BY DR. DAVID CARRICK

The terrors of the tetanus toxin

A SAD story appeared in newspapers recently about a 37-year-old man who died as the result of being "cut" by a rosebush. The cause of death was tetanus; a cruel killer of man and animals throughout the ages and everywhere in the world.

Doctors in the admitting hospital "found two pieces of rosebush in the thigh wound," said the report. Presumably these were thorns from dead branches, because living thorns may scratch badly but do not break off readily and so are rarely found in wounds.

Tetanus is not uncommon; at the best it is serious and at the worst fatal. It is caused by a bacillus or clostridium which is happiest browsing in decaying matter in the absence of oxygen—in other words, it is an anaerobic saprophyte. Ideal conditions exist in manured ground and in the intestines of cattle and horses. Reproduction is by the production of spores which can live for many years even under adverse conditions and can, so it is said, withstand up to 20 minutes of boiling.

Invasion of man by these organisms is not intentional. A large gaping wound—unless it is stitched while still contaminated — is of no use to *Clostridium tetani* because, although there is tempting dead tissue, there is also air, which is unattractive to the organism.

The most desirable residence for *Clostridium tetani* is a puncture wound—and what could be better than that occasioned by a dead rose-thorn? The skin closes behind and produces a snug, airless den wherein the creature can enjoy dead tissue.

If this was all that it did, there would be little to worry about: unfortunately, a powerful neurotoxin is produced and this tracks up the nerves to the central nervous system, taking as little as four days from a situation near the brain, but sometimes up to four to six weeks from distant parts such as the feet.

Although local reaction at the site of entry is, unhappily, trivial, the events following the arrival of the toxin at their target are appalling. Often spasm of the muscles used for eating are affected first and cause "lockjaw," as the disease is known colloquially.

In paradoxical contrast to the sufferings of the patient, he may appear to smile grotesquely (*risus sardonicus*) due to facial muscular paralysis. Within a few hours or days, the muscular spasms spread to the limbs and trunk, and arching of the back can resemble the effects of strychnine poisoning.

Many muscles become involved in violent and painful spasms and some patients die early because of involvement of the throat and neck so that asphyxia ensues. Even if the patient is spared this horror, the painful, frequent spasms (often excited by noise) steadily increase, and his life may be terminated by heart failure or utter exhaustion.

Until the early years of this century, tetanus deaths were very common. Then, during the great advances begun by Pasteur, an antitoxin was produced. This consisted of specific serum (obtained from treated horses) which neutralised the tetanus toxin. Although rarely successful if the disease became established, it was of value in its prevention.

It was invaluable in the 1914-18 war, in which the disease was tragically common in the well-manured farmlands of Flanders, wherein deep wounds and *clostridium tetani* were in abundance.

There was a major problem. Some people are allergic to horse serum and thus the passive immunity obtained sometimes proved as deadly as tetanus. The injection of adrenalin could reverse the process if given in time.

In later years, means for providing active immunisation were introduced. In the modern versions, *clostridium tetani* toxin is treated in laboratories with formalin and rendered harmless. But the human body fails to realise this and produces its defensive means just as it would for the genuine article. Such protection lasts for several years.

Although very severe allergic reactions do not occur with this, some local swelling and pain may be troublesome and, perhaps, a serum-sickness (which is exceedingly unpleasant) may occur eight to ten days later.

This vaccination programme (a course of three injections) against tetanus is a somewhat complicated matter—for the doctor rather than the patient. All casualty departments of hospitals will know about it, however. Immunisation to produce immunity can still lead to problems with allergies as horse-serum is still employed, and all patients should inform the treating doctor of any allergic problems from which they have suffered.

Fortunately, a relatively recent product, Humotet—which is obtained from human donors who have high levels of antitoxin following active anti-tetanus vaccination—is available and appears to be very innocent as regards allergic manifestations.

Treatment of established tetanus nowadays is by tetanus antitoxin, but the major problem has always been the alleviation of the dreadful muscular spasms. In 1878 an eccentric naturalist suggested that the deadly poison, Curare, which paralyses musculature, might be the answer. But it was not until the mid-1930s that major work was carried out with the poison and success was obtained. Now a modern product, Tubocurarine, is used with safety and frequent success.

But nobody should forget that tetanus is vile and deadly. Everyone should be vaccinated. If anyone is unfortunate enough to receive a puncture-wound or any injury in which pathogens can lurk, they should clean it thoroughly, use antibiotics, and then obtain appropriate anti-tetanus treatment.

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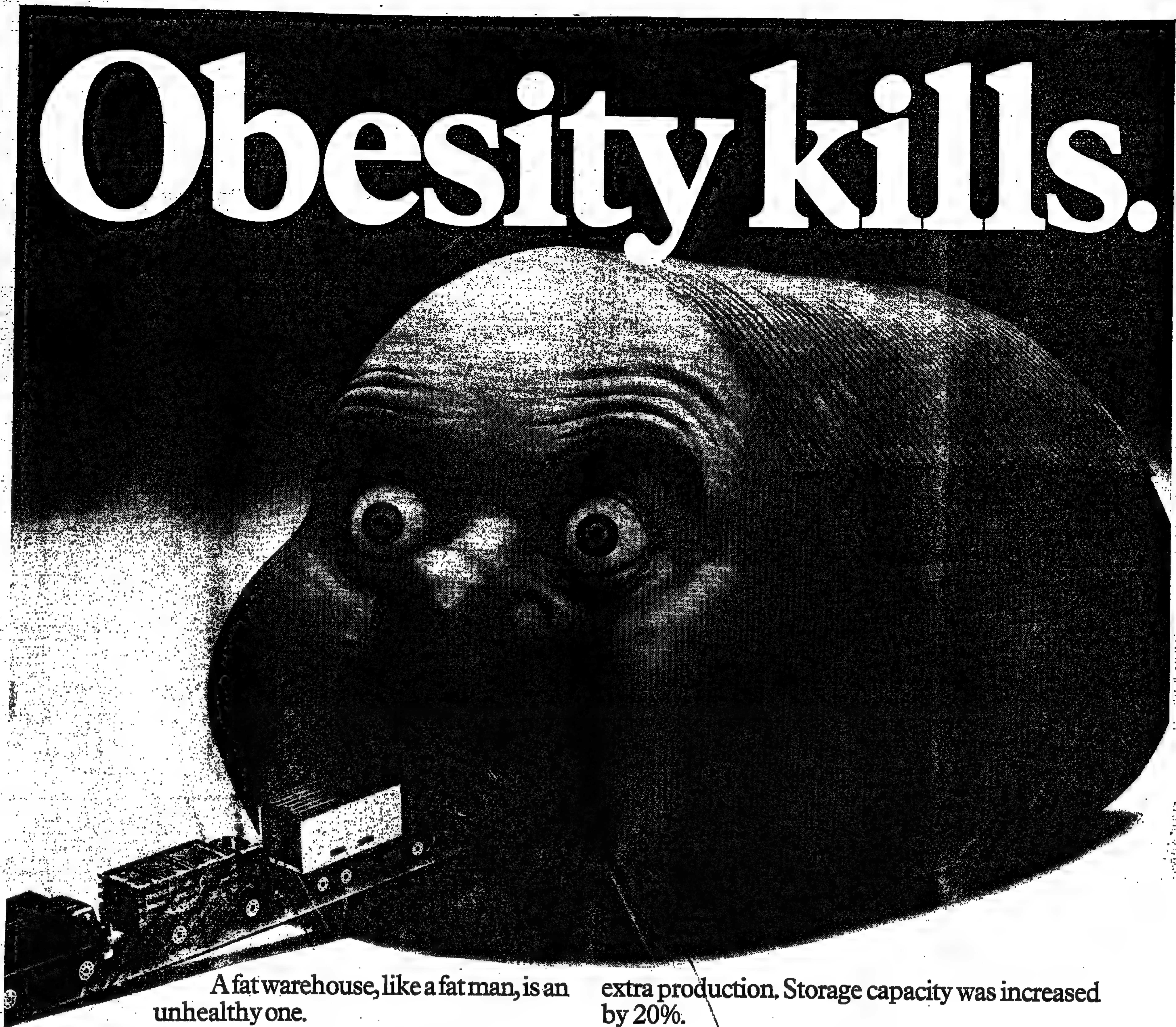

A fat warehouse, like a fat man, is an unhealthy one.

Usually, the problem is not that too many goods are going in. It's that they're badly arranged.

Rent, overheads, breakages and wage costs rise. So production and profits fall.

Stock levels and picking times increase, and customer service declines.

And, according to the evidence, the condition is a common one.

More than half the companies examined in a survey by the Department of Industry had an inefficient storage system.

And the total waste in British industry is more than £2,000 million a year.

It might seem that the answer to the problem is bigger warehouses. In fact, the answer is usually smaller warehouses, as many of our case-histories show.

In one case, we installed mobile shelving which reduced the width of the gangways.

Storage area was halved, which freed space for extra production. Storage capacity was increased by 20%.

Picking times were reduced by 60%.

The investment paid for itself in 18 months.

In another case, we made use of wasted roof-space with high rise, narrow-aisle pallet racking, together with two stacker cranes.

Storage capacity was increased by 80%, with no increase in storage area.

Product damage was reduced by 80%, overheads by 30%, and picking times by 20%.

You can read 100 of our case-histories in our "Book of 100 Answers."

And we can plan, supply and install anything from a bay of shelving to a complete automated warehouse.

Which should help, whether your company is large or small, to improve its state of health.

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Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● COMMUNICATIONS

New group formed to promote teletext

HAMBROS BANK, together with *Modular Computer Services Inc.* (MODCOMP) of the United States and Alphameric Keyboards of Woking, have formed a joint company which will seek a leading position in the market for providing custom-built systems for commercial "Viewdata" users.

Bishopsgate Terminals, as the new group has called itself, was announced at the recent opening of MODCOMP's first computer manufacturing facility outside the United States—at Wokingham, Berkshire.

Organisations currently selling Viewdata systems are *strongly influenced by the home-user market*, and the opportunity for tailor-made hardware in business applications has *been neglected to some extent.*

Bishopsgate has been formed to design, manufacture, and sell to the commercial market.

Current Post Office estimates suggest that 70,000 domestic TV sets will be connected to Prestel *in 1980.* Bishopsgate's estimate is that the potential private commercial Viewdata market will equal this in money terms. It believes the commercial market will continue to grow strongly thereafter for several years.

Potential customers include the established database. For this user, the Viewdata system offers an efficient and economical method of disseminating information from that database to executives who "need to know." Each location will be able to access the database via a robust commercial keyboard and have the information displayed on a colour TV screen in easily-read page form. Information can be transmitted (via automatic dialup) by ordinary telephone lines, by leased PO lines and by internal lines.

Bishopsgate Terminals, *Molly Millar's Lane, Wokingham*, Berks., RG11 2QT. 0734 788711.

Compact mobile radio

THE K9 series of British designed and made vhf mobile radio equipment is offered by Blick International Systems, employing frequency modulation and operating between 146 and 174 MHz.

Base station unit is rated at 20 watts and has 12.5 kHz channel spacing for up to six channels. The unit measures *380 x 102 x 225 mm and weighs* 7 kg.

The mobile set is of solid state design and has an output of 20 watts rf, with a built-in loudspeaker delivering three watts of audio power. Dimensions are 185 x 52 x 144 mm and the weight is 1.3 kg.

Full details of the K9 series, which can be *purchased or* rented, and for which Home Office approval has been obtained, can be obtained from the *maker, Blick International* Systems, Bramble Road, Swindon, SN2 6ER (0793 692401).

● INSTRUMENTS

Will detect unwanted gases

KEMTRONIX OF Compton, Nr. Newbury, has new portable ozone and nitrogen oxides monitors, Models 2000 and 2200. These will simplify and bring down the cost of air pollution surveys.

Both are portable. They can either be battery or mains powered and even with battery packs installed weigh less than 22 lbs each. The monitors use a highly specific chemiluminescence detector system which is based on the measurement of light generated during the reaction between any of the gases and ethylene.

Since each of the reactions emits light of a characteristic wavelength the system is highly accurate and insensitive to interfering gases such as sulphur dioxide, which may be present in the reaction mixture. A built-in ethylene gas storage bottle with sufficient capacity for up to ten hours monitoring is incorporated in both monitors.

Sampler gas concentrations are directly readable in ppm from the large meter display on the front cover and each model has switch-selectable sensitivity ranges of 0.05, 0-1.0, 0-2.0 and 0-5 ppm. The minimum detectable concentration is about 0.1 ppm for both ozone and nitrogen oxides. Zero drift in the Model 2200 is kept to *below 0.01 ppm over an 8 hour* sampling period by the incorporation of a 5 second cycle switching system, for the measurement of *NO* and *NOx*, into the electronic pack. Small controlled zero and span drift rates are essential for the accurate determination of *ozone* levels.

This is achieved in the Model 2000 by regulating the temperature in the photomultiplier detector and the reaction chamber along with their associated electronics. Built-in audible alarm systems clearly *signify* whenever a preset threshold concentration level of detectable gas has been exceeded. There are also built-in outputs for permanently recording levels on a chart recorder.

Switch-selectable self diagnostic facilities are built into both instruments with internal systems status being displayed on the front panel meter.

Kemtronix is on 063 522470.

More available for hire

NOW IN a position to offer *more than 650 instrument types* and with a turnover exceeding £2.5m, Livingston Hire is to move more strongly into the supply of microprocessor development systems.

The company has already committed £40,000 to the purchase of the new Hewlett Packard 64000 logic development system, a universal development device that can be used for products made by a number of the major semiconductor companies.

Livingston has also appointed Jermyn Mogul Systems as supplier of MDS products available *from the majors and* will be spending about £260,000 on these items which will be available virtually off the shelf.

Negotiations have also been completed for the opening by Livingston of a subsidiary in Sweden and it is understood that similar plans exist for France for early 1980.

Much of the company's success *in the hire of instruments* and other small electronic equipments has been due to the early use of a computer system for the control of orders, stock, invoices, credit, etc.

There are now about 2,000 customers on the books and the *items for hire vary in cost from* about £7.50 to £350 a week. The problem of checking where each instrument is, its availability, the credit position of the customer and similar business parameters is taken care of by an Allied Business Systems machine with terminals in the major departments of the company.

The company claims to be able to give a telephone inquirer an answer in a couple of minutes and if the unit is available, supply it within 24 hours. Each time changes of any sort are initiated by one of the terminal users, the whole system's data is updated straight away, with no chance *of double booking.*

Managing director Patrick Robson believes there is still a big untapped market for *his* company's services among companies that do not appreciate the advantages of hiring rather than purchase: capital does not have to be raised and there is far less prospect of equipment being left idle on shelves.

More from 27 Camden Road, London NW1 9NR (01-267 3262).

Has fifty channels

INPUTS FROM up to 50 sensors can be plugged into the front panel of a rugged cassette recorder available from Grant Instruments (Cambridge), Barrington, Cambridge CB2 5QZ (0763 60811).

Measuring 365 by 425 by 150 mm and weighing 7.5 kg the unit has a stainless steel weatherproof case and is intended for *the long-term monitoring* of quantities such as temperature, humidity, windspeed rainfall, pressure and solar radiation. The case is weatherproof and the unit will operate in ambient temperatures from −20 to +60 degrees C.

A standard ¼ inch tape cassette is used with simple loading and control procedures that can be carried out with the hands gloved.

On each scan of the inputs a level is taken from each sensor, followed by a record of time and identification number. Cycles are initiated at intervals that can be pre-set by the user between one and 999 minutes. The scan itself takes two seconds or less.

Conditioning circuits are *available for various kinds of input*, and a companion playback device can be supplied.

● FINISHING

Bare metal coated fast

AN INCREASED range of specialised finishing processes are about to become available at Hankoe Stove Enamelling's Slough works.

As reported on this page on July 16 Hankoe has spent over £100,000 on new plant and with a reorganised board of directors (Ian MacGregor, chairman, Stirling Moss, C. Dopson and H. Hancock) it aims to provide a fast service—fast processing in the factory because usually the quicker bare metal gets a protective coating the better *(especially in view of the rigid* coating specifications that are now often demanded) and fast completion and delivery of treated components to the customer.

Delay between processes has been minimised by locating shot blasting equipment close to the painting plant and with two conveyorised infra-red ovens in operation it is now possible to finish 6,000 items in a day.

Apart from the normal shot-blasting work on ferrous components and fabrications, Hankoe specialises in ultra-fine surface finishing. Specially-engineered machines are used for the frosting of fragile glassware; the "pearl lustre" finishing of stainless steel medical equipment; and for meeting the most exacting specifications for the aerospace industries.

Stirling Moss's very close involvement in the Hankoe operation has accelerated the company's work in the motor racing world and many *leading* constructors and component suppliers now send their work to Hankoe. Restoration of vintage and classic vehicles—a field in which chairman Ian MacGregor specialises—also provides the *company* with some unusual tasks.

Hankoe's works are at 823 Yeovil Road, Slough, Berks (0753 22779).

Automatic spray painting

CONVEYORISED PLANT for painting metal pressings and castings, up to 7.5 cm diameter and 33 cm high is being produced by Berridge Engineering, Queens Road, Beeston, Nottingham (0602 258291).

Output is 35 to 48 components a minute using only two operators, one to load and the other to unload the components. As the painting process is automatic using a electrostatic guns, the finish is consistent and paint wastage minimal, claims the company.

Components to be painted are *carried on spindles mounted on* a bench level conveyor through an infra-red tunnel which preheats them before they enter the spraybooth. There the conveyor takes the parts around the spraying head where they are rotated and coated. A one-coat finish is applied, the solvents evaporating almost immediately because of the preheating.

Overall size of the plant is about eight metres long, 2.3 metres wide and 2.2 metres high.

● CONSTRUCTION

Ensures a very strong fastening

CONVENTIONAL methods of fixing into all types of concrete *and masonry*—such as plugs, expanding anchors and shot-fired pins—can now be superseded by a new method called the Tapcon system, announces Buildex (division of ITW) Darville House, 4 Oxford Road East, *Windsor, Berks (075 35 57721).*

Tapcon anchor taps its own thread directly into concrete, eliminating separate plugs and screws or inserts of any kind and its double high and low profile thread form is said to give pull out loads more than twice that reached with equivalent size ordinary plugs and screws.

System can be used with standard drilling machines with which most tradesmen are already equipped and is *completed by the Condrive installation tool* and Buildex masonry drill bit.

Dual purpose Condrive tool drills the hole to the correct depth and diameter and is then used to drive the anchor.

Significant advantages promised by the new method are speed of installation (giving low in-place cost), consistently high pull out loads, no hole alignment problems, easily removable and, as it does not rely on expansion principle (and there are no spalling effects) it can be used for close to the edge fixings.

Speeds rate of grouting in tunnels

THE SPECIALIST tunnelling equipment division of the Rees *Hough group, Tunnequip*, says it has developed a tunnel grout pump which speeds up the rate at which backgrouting can be carried out after segmental tunnelling.

The unit which incorporates a 7 hp air-operated pump with 5 cm (2 inch) delivery is coupled to an air motor and the complete unit is mounted on a bogey for operation on either 457mm (18 inch) or 610mm (24 inch) rail track. *Grout is delivered at 6,380* litres/hr at 30 metres (1,400 gals/hr at 100 ft) head and operates up to a pressure of 8.5 bar (125 psi).

The pump is reversible for self-cleaning and can be used *as a normal pump for clearing* accumulated water from the shaft or the tunnel face. More *information* about the equipment can be obtained from Tunnequip at Catteshall Wharf, Godalming, Surrey GU7 1NB (04868 5641).

More comfortable in the queue

BASIC UMBRELLA concept of *existing bus shelters has been* superseded in the Royal Borough of Kensington and Chelsea by the *installation of* a deluxe modular design, occupying an area of 23 by 8 ft, and incorporating a newspaper kiosk and telephone booth.

Sited outside the Odeon cinema in Kensington High Street, the new shelter heralds the *installation of the first* 150 new Mills and Allen shelters in London, and it is hoped that the model will be universally adopted throughout the UK.

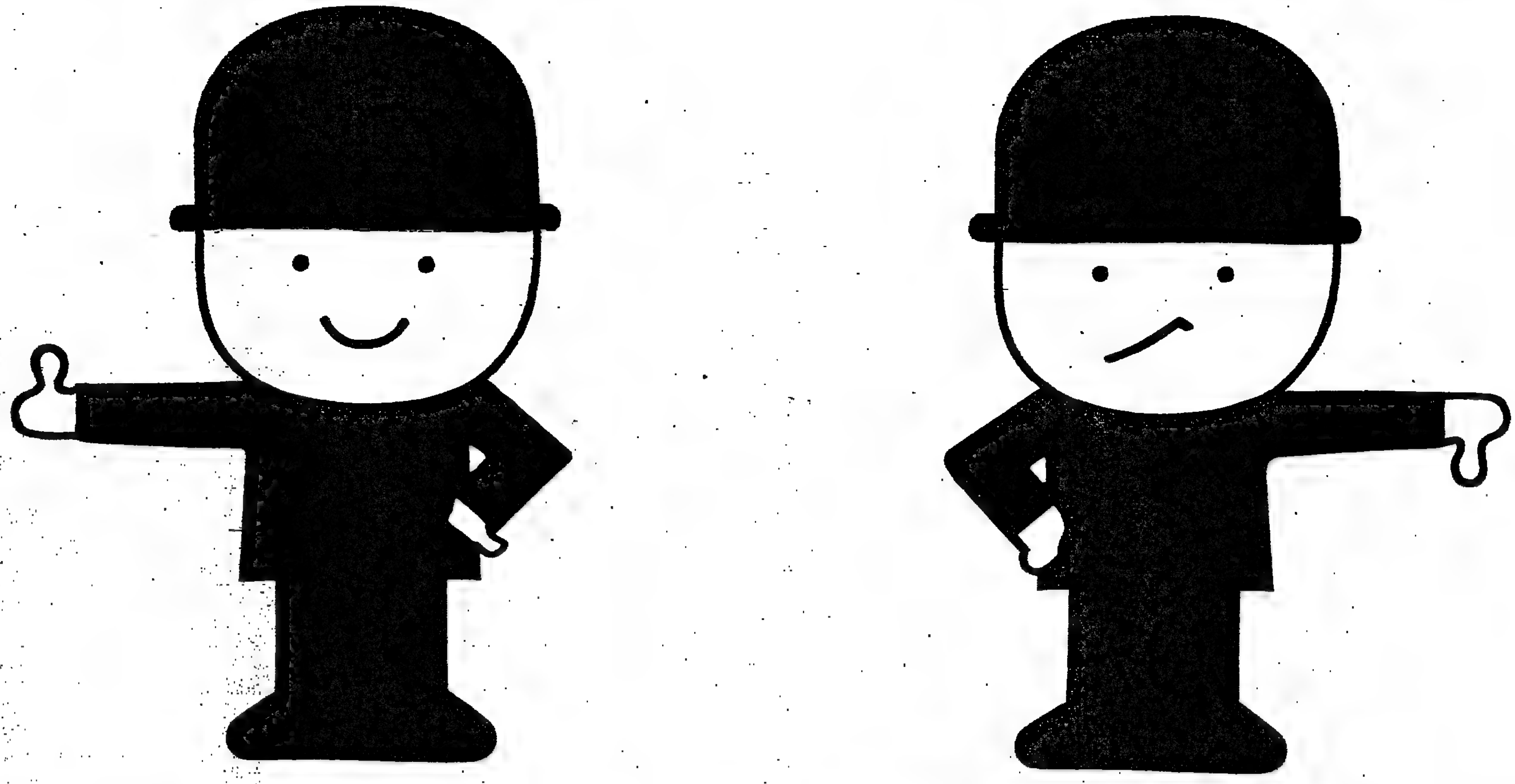
Variety of different layouts include a kiosk, a PO telephone, split queuing area, art panels and illuminated posters—and the shelter is lit up constantly to discourage vandalism.

Construction features toughened glass surrounds which will carry the logo of the local borough or transport authority and panels which will carry transport maps, timetables, posters and art boards.

More from the company at Broadwick House, 15, Broadwick Street, London W1 (01-439 9541).

هكذا من الأصل

This advertisement has been issued by Spillers Limited.



SPILLERS or DALGETY?

Spillers have forecast profits for this year at around £15m and have a good base for future profits growth.

Spillers' dividend is increased by 67% to 3.4p per share.

Spillers employees, board and customers are opposed to the offer.

Spillers have built up a highly successful range of branded products which includes such household names as Homepride, Slimcea, Winalot, Kennomeat, Spratts and Tyne Brand.

Dalgety have *not* forecast profits for this year. Their profits are uncertain and could well fall sharply.

Dalgety's shares would give a lower income — equivalent to 3.33p for each Spillers share.

Dalgety's own board was not even united in making the proposal.

Dalgety have very few branded goods.

Your Chairman's message is clear. Ignore the offer. Do not sign any document sent by Dalgety.

The Directors of Spillers Limited have taken all reasonable care to ensure that the facts stated and the opinions expressed herein are fair and accurate and they jointly and severally accept responsibility accordingly.

LOMBARD

The silly myth about the IMF

BY SAMUEL BRITTAN

THERE CAN be few institutions the reality of which is so different to the myths which surround them as the IMF. The fund is frequently denounced, especially on the British Left, as a hard-hearted monetarist institution anxious to bring about deflation and unemployment, and only too pleased if this leads to the toppling of socialist governments. On the right it is seen as a noble force for financial virtue in a wicked world: and British Conservatives frequently said that the last Labour Government curtailed public spending and monetary expansion, "only" because it was forced to do by the IMF.

Anyone who has had even a few casual conversations inside the lavishly appointed fund building in Washington will know that this is a fantasy picture. The fund officials have, *of course, no independent* power, but are advisers to member Governments in which role they have to complete with national officials and central banks. The people who decided that the UK would have to accept a "tough, but not too tough" package in 1976 were the U.S. and German Administrations.

Of course the IMF staff has some say and some policy lines of its own. But as its 1979 Report makes clear, it is firmly on the Keynesian side in the Keynesian-monetarist debate. This will come as no surprise to anyone who has heard complaints in the IMF building about the allegedly over-restrictive policies of the Germans and the Japanese, or worries that even the British were putting too much reliance on monetary policy.

The 1979 report takes for granted that world output is demand-constrained: and on its very first page expresses artless surprise that although domestic demand management has recently proceeded on lines agreed at international meetings, these policies have had disappointing effects on both unemployment and inflation. Indeed inflation began to accelerate again in most countries even before the oil price increases, which is treated as a bolt from the blue.

This is in sharp contrast to the GATT Report, published a week ago, which stated that it is the out-dated economic policies of Western Governments—and not the oil price increase—which are responsible for the fresh wave of unemployment and inflation in the West. Both documents have figures showing that the oil price increase mainly restored the real oil price to its 1974 levels—which was indeed the intention of OPEC countries. But the GATT Report emphasises that the inflationary consequences of the oil price increases can occur only if monetary policy "fails to guard adequately against them": and in direct contrast to the IMF, denies that a transfer of purchasing power to oil producers need be "deflationary" in its impact on output. Indeed if one is looking for an *international* body promoting sound money and market adjustments, the place to look to*day is the GATT and not the* IMF.

The view of the IMF as stern *monetarists* has its main origin in that body's role as a lending institution which has to be repaid. Therefore, however much it would like to expand demand—and manufacture more reserve assets—in the world as a whole, it has to be restrictive in its advice to debtors.

On the major issue, it treats demand expansion as synonymous with "contributing to world growth"—which countries are exhorted to do in relation to their external strength. The IMF's principal suggestion for alleviating the inflation-unemployment conundrum is—you will never guess—incomes policies. The hope is that such policies will exclude oil price increases from the cost of living element in wage settlements—as if it were possible to use wage controls as a miracle drug to produce one prescribed result without other and larger adverse side effects.

Otherwise we are left with the exhortation to an unspecified "many-sided strategy of policies in a medium-term framework" and calls for "international co-ordination of growth objective policies." The last "co-ordinated" world expansion was the 1972-74 boom, which produced the commodity and oil price explosion and double-digit inflation, the aftermath of which we are still suffering. The main stabilising element in the world economy is that countries have since been so often unintentionally out of phase in their domestic cycles.

No one has really uncovered the fundamental rules—if there are any—governing world prosperity, depression and inflation. But the GATT philosophy has more to contribute to our present concerns.

A litigious farming saga

THE WEEK IN THE COURTS

BY JUSTINIAN

ONE OF the many important cases due to be heard by the House of Lords in the new law year starting on October 1 is a decision of the Court of Appeal on what is meant by the phrase "money or money's worth" in Section 13(2), Land Charges Act, 1925. Does it mean what it clearly says, or does it import the idea of a fair and reasonable value?

In *Midland Trust Co. v. Green** Lord Denning thought that the words did bear an extended meaning of a purchase for an adequate sum. He could not believe that Parliament had intended to protect a purchaser who paid far less for a piece of land than the land was worth (particularly if the purchaser was in collusion with the vendor) as against a person who had previously acquired an option to purchase the land, but had mistakenly failed to register his option to purchase from the vendor in the appropriate Land Registry: "Money or money's worth *means a fair and reasonable value in money or money's* worth; not an undervalue — *particularly a gross undervalue* as here."

Lord Justice Eveleigh agreed *with him*, while Sir Stanley Rees, in supporting the trial judge's finding, dissented. The judicial score is two-all, with five Law Lords to go.

The facts of the case represent a *family* saga that has spawned a spate of litigation; actions against members of the family, against vendors and solicitors over the past six years. A Lincolnshire farmer had two *sons who farmed* the two separate farms owned originally by their father. One farm of *700 acres he farmed with one* son; nearing retirement he sold that farm to his son at £75 per acre, a price well below the market rate for farmland at that time. But he did not treat the other son in similar fashion. He allowed him to continue renting that farm of some 300 acres, and in addition gave him an option of purchasing the farm within the next 10 years, also at the sum of £75 per acre. The option was a simple contract drawn up by a solicitor who inexplicably failed to register the option as an estate contract under the Land Charges Act 1925. This mistake was not known to father and son at that time, and for six years nothing happened *until* the son began to indicate his desire to exercise the option, which he expressed *to his father and mother* then living in retirement.

The father protested that he *wanted to retain the farm as an* agricultural investment so as to save death duties. Contemporaneously the father consulted a different lawyer who indicated that if the option had not been registered the father could defeat the option by selling the land over his son's head. And that is what he did. With an alacrity that was and is uncharacteristic of conveyancing—it was all completed within three days of the solicitor getting instructions—the father sold the *300 acre farm to his wife for* only £500. Because all the main actors in this family saga had *died by the time the issue came* to trial the parents' conduct towards their son remains unex*plained*.

The farm at the time of the conveyance in 1967 was worth at least £40,000 and it was not unreasonable to expect that it would increase in value. (During the option period of ten years the son would have had to pay only £22,275.) Now it is worth nearly £½m.

Two issues loomed large in the ensuing court battle. First, there was the question of fraud. If fraud were established against the mother and father, then on the principle succinctly encapsulated in the phrase, "fraud unravels everything," the plaintiffs were entitled to have the conveyance of 1967 set aside. In the event the case was primarily decided not on that point.

The second, and crucial issue was whether the unregistered option was void as against the *estate of the mother* who had purchased it. Section 13(2), Land Charges Act provides that *a land charge is void as against* a purchaser "unless the land charge is registered in the appropriate register before the completion of the purchase: Provided that, as respects an estate contract (which is what an option to purchase land is) the subsection only applies *in favour of a purchaser of a legal estate for money or money's worth.*"

The first argument advanced was that the conveyance was a sham, *in the sense* that it was not the purchase of a legal estate but merely a gift dressed up as a sale *with the* avowed purpose of defeating the option. Had there been no obstacle to *the transfer of the ownership* from father to mother by the existence of the option, the father would have made an outright gift to his wife. *The £500* was merely a device to give the gift the colour of a sale.

In law a sham is a transaction that seeks to pull the wool over the eyes of a third party. It is not a sham simply because it was carried out with a particular object or purpose, however reprehensible that object or purpose.

The deed of conveyance of 1967 had recited that the father had agreed to sell the farm for £500 to the mother. The £500 was in fact paid for the farm. The parties intended that the farm should be conveyed from father to mother. That the ulterior motive was to defeat the son's option, that the price was exceedingly low, and that the normal step of a written contract preceding the conveyance did not take place were all factors that undoubtedly made the transaction unattractive to the objective bystander. But it was not a sham, and could not be converted into one because the motive was, to say the least, an unworthy one.

Lord Justice Eveleigh had an ingenious way round this argument. He did not think that the conveyance was sham, but he considered that the price for the purchase expressed in the conveyance was a sham. It was not for the £500 that the property was conveyed. The true transaction was a gift coupled with a token of £500 sought to be included to meet the requirements of the law relating to unregistered options. Lord Denning avoided such niceties. He found the transaction so distasteful that he was prepared to condemn it as fraudulent. The difficulty about Lord Justice Eveleigh's point is that the conveyance and its contents did not say anything other than was the truth. It was transparent that the £500 was little more than a token payment for a farm then worth £40,000, and on any exercise of the option worth £22,725. But so long as it was not illusory or nominal, the law would not investigate the adequacy of the purchase price.

The case thus resolved itself into the narrow *question of construction* of the phrase, "money or money's worth." The majority of appeal judges *had no hesitation* in holding that Parliament must have intended that the phrase should have an extended meaning that the payment was a fair and reasonable value. But there is a well established rule *that judges will not add words* to what the parliamentary draftsman has used other than in *exceptional cases*. This is not judicial supineness, but an acknowledgement that there are constitutional limitations on what judges may do in applying the law as set out in clear language in a statute. After all, the words were clear in the proviso to section 13(2) Land Charges Act 1925, and reflected the clear policy of the legislature to get rid of equitable rights, such as estate contracts, unless registered. Moreover, the phrase "money or money's worth" was not preceded by any qualifying words, such as "in good faith," *which one does find in other* sections of the same Act of Parliament.

In short, the trial judge and Sir Stanley Rees were driven to the conclusion that, unless fraud was proved, or unless the conveyance was a sham, or the *consideration for the purchase* was illusory or nominal, an unregistered contract is void against it.

The moral of this tale is to ensure registration. And if the failure to register is the result of a solicitor's negligence, the law provides a remedy against the professional adviser. That may have its own pitfalls, but *there is the ever-present danger* that hard cases make bad law—and this is clearly a hard case *for the son's family who, if the* House of Lords reverses the Court of Appeal's decision, will *have to leave the farm which* will be sold, the proceeds of which will be divided among the *five children of the parents*.

* [1979] 3 WLR 167.

French end their losing spell

RACING

BY DOMINIC WIGAN

THE FRENCH, who until *Saturday had suffered a long* spell of almost total failure with nearly 100 challengers, sent *across the Channel in search of* prizes in the past two seasons, saw Son of Love and Soleil *Noir fight out the St. Leger* finish.

Now it seems probable that *several leading French trainers* —notably Francois Mathet—will feel less disillusioned in the economic prospect of sending riders over and we will see a *steady increase in a flow* of traffic which had become somewhat one-sided.

There was certainly no fluke about the ascendancy of the French pair on Saturday. Separated by a head in the Grand Prix de Paris, in which Soleil Noir proved *fractionally too good for Son of Love*, it was the latter's turn with the help of a slow early pace in York*shire. But, regrettably no* doubt, the 1979 St. Leger will not go down in the annals *of the race as anything but* second-rate for Son of Love had failed on three occasions to catch *the judges' aye*, since the Grand Prix.

It will be interesting to see *if the Levy Board is as keen* as the Doncaster committee to give the race a £100,000 boost *for the 1980 winner*.

With an eye to next season's principal middle-distance event *for second-season fillies*. The Dancer's win in the Mayhill Stakes is well worth noting. *Leading from the outset in that* mile event, The Dancer always looked capable of maintaining her advantage, in spite of a strong challenge from the favourite, Schweppes Forever, inside the final ½ mile.

The Dancer, a good-looking bay daughter of the Charlottesville *mare*, Khazaeen, who is herself a half-sister to Blushing Groom's dam, Runaway Bride, had previously run well to finish fifth behind Mrs. Penny and Abeer in the Cherry Hinton Stakes, *after* a long layoff. The form of that Newmarket event was given a fine boost 90 minutes before the Mayhill Stakes through Abeer's triumph in the £11,000 Flying Childers Stakes and, in retrospect, The Dancer's starting-price of 9-2 represented excep*tional each-way* value.

SANDOWN
2.15—Morayshire
2.45—Audacity**
3.15—Moon God
3.45—Valour

WOLVERHAMPTON
2.00—Fantasy Royale*
2.30—Knees Up
3.00—British Crown
3.30—Eight Roses
4.00—Spy Chief***
4.30—Tarnished Image
5.00—Persico

TV Radio

BBC 1

† Indicates programme in black and white.

6.40-7.55 am Open University (Ultra high frequency only). 9.00 For Schools, Colleges. 11.35 You and Me. 11.40 For Schools, Colleges. 12.45 pm News. 1.00 Pebble Mill at One. 1.45 Trumpton. 2.01 For Schools, Colleges. 3.15 Songs of Praise. 3.53 *Regional News for England* (except London). 3.55 Play School. 4.20 The Fur Coat Club. 4.35 Battle of the Planets. 5.00 John Craven's Newsround. 5.05 Blue Peter. 5.35 Noah and Nelly.

5.40 *News*.
5.55 Nationwide (London and South East only).
6.30 *Nationwide*.
6.55 Angels.
7.20 The Rockford Files.
8.10 *Panorama*.
9.00 News.
9.25 The Monday Film: "Westworld," starring Yul Brynner.
10.55 Film 79.
11.25 The Last Concorde.
11.55 News Headlines/Regional News.

All regions as BBC 1 except at the following times:

Scotland—11.00-11.30 am and 2.18-2.38 pm For Schools. 5.55-6.20 Reporting Scotland. 11.55 News and Weather for Scotland.

Wales — 10.38-10.58 am I *Ysgolion*. 1.45-2.00 *pm Pili Pala*. 2.18-2.38 For Schools. 5.55-6.20 Wales Today. 6.55 Heddiw. 7.15-7.40 Angels. 7.40-8.10 Where Are They Now? 11.55 News and Weather for Wales.

Northern Ireland—3.53-3.55 pm Northern Ireland News. 5.55-6.20 Scene Around Six. 11.55 News and Weather for Northern Ireland.

England—5.55-6.20 pm Look East (Norwich): Look North (*Leeds, Manchester, Newcastle*); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

BBC 2

6.40-7.55 am Open University.
11.00 Play School (as BBC 1 3.55 pm).
4.50 pm Open University.
6.55 Time Out Of Mind.
7.20 Tex Avery Cartoons.
7.30 Mid-evening News including sub-titles.
7.40 A Diary of Britain.
8.30 The Two Ronnies.
9.00 Alec Guinness in "*Tinker, Tailor, Soldier, Spy.*"
9.50 50 Years of Country Music.
10.40 Late News.
10.55 International Darts.
11.45 Closedown reading.

Channel is the only IBA company transmitting programmes during the present industrial dispute. Details of this local service are given below.

CHANNEL

1.20-1.30 pm Channel Lunchtime News, What's on Where. 5.00 Puffin's *Birthday Greetings*. 5.05 Woody Woodpecker. 5.30 Beverly Hillbillies. 6.00 Report at Six Extra. 7.00 Colombo. 8.15 Feature Film: "A King's Story." *10.00 Channel Late News*. 10.05 West Side Medical. 11.00 News in French.

Radio Wavelengths

1	1053kHz/285m, 1089kHz/275m
2	693kHz/433m, 909kHz/330m, & 88-91vhf stereo
3	1215kHz/247m & 90-92.5vhf stereo
4	200kHz/1500m & 92-95vhf
BBC Radio London:	1458kHz, 206m & 94.9vhf
Capital Radio:	1548kHz, 194m & 95.8vhf
London Broadcasting:	1151kHz, 261m & 97.3vhf

RADIO 1

(S) Stereophonic broadcast
‡ Medium wave

5.00 am As Radio 2. 6.00 Dave Lee Travis. 9.00 Simon Bates. 11.31 Paul Burnett. 2.00 pm Andy Peebles. 4.31 Kid Jensen. 7.00 Stayin' Alive. 8.00 Mike Read. 9.50 Newsbeat. 10.00 John Peel (S). 12.00-5.00 am As Radio 2.

RADIO 2

5.00 am News Summary. 5.03 Tony Brandon (S) 7.32 Terry Wogan (S). 10.03 Jimmy Young (S). 12.15 pm Waggoners' Walk. 12.30 Pete Murray's Open House (S). 2.15 David Hamilton (S). 4.15 Much More Music (S). 5.00 News. 5.05 Waggoners' Walk. 5.20 John Dunn (S). 6.45 Sports Desk. 7.02 Music From The Movies (S). 7.30 Alan Dell with The Dance Band Days and at 8.02 The Big Band Sound (S). 9.02 Humphrey Lyttelton with The Best of Jazz on records (S). 9.55 Sports Desk. 10.02 Town and Country Quiz. 10.30 Star Sound. 11.02 Brian Matthew with Round Midnight, including 12.00 News. 2.02-5.00 am You And The Night and The Music (S).

RADIO 3

‡6.55 am Weather. 7.00 News. 7.05 Overture, Concert, part 1 (S). 8.00 News 8.05 Concert, part 2. 9.00 News. 9.05 This Week's Composers. Francesco Cavalli and Giacomo Carissimi (S). 10.05 Chamber Music From Ipswich, part 1 (S). 11.00 In Short (talk). 11.10 Chamber Music From Ipswich, part 2 (S). 12.00 Midday Concert, part 1: Dvorak, Barber (S). 1.00 pm News. 1.05 Midday Concert, part 2: Sibelius (S). 1.35 Music For Organ by Vierne (S). 2.15 Matinee Musicale (S). 3.15 New Records (S). 4.35 Nursery Rhymes (S) 5.25 Homeward Bound (S) including 5.45-5.50 News (‡ and mono only from 5.45). ‡6.15 At Home. 7.10 Pied Piper (S). 7.30 Alban Berg Quartet, Vienna (S). 8.30 The Florentine Intermedi of 1589: EBU Concert of music by Malvezzi, Marenzio, Peri Caccini, Cavalieri and *others*, part 1 (S). 8.55 Channing Qualities of Chinese Life. 9.15 EBU Concert, part 2 (S). 10.25 Interval Reading. 10.45 Concert, part 3. 11.25 EBU *Jazz Concert* (S) part 1 (part 2 on September 24) 11.55-12.00 News.

VHF Only—6.00-7.00 am and 5.45-7.10 pm Open University.

RADIO 4

6.00 am News Briefing. 6.10 Farm*ing Week*. 6.25 *Shipping forecast*. 6.30 Today, including 6.45 Prayer for the Day. 7.00, 8.00 Today's News. 7.30, 8.30 News Headlines. 7.45 Thought For The Day. 8.45 Diary of a Somebody. 9.00 News. 9.05 Start The Week With Richard Baker. 10.00 News. 10.05 Wildlife. 10.30 Daily Service. 10.45 Morning Story. 11.00 The Cost of the Weather. 11.45 Listen With Mother. 12.00 News. 12.02 pm You and Yours. 12.27 Top Of The Form. 12.55 Weather, programme news. 1.00 The World At One. *1.40 The Archers*. 1.55 Shipping forecast. 2.00 News. 2.02 Woman's Hour. 3.00 News. 3.05 Afternoon Theatre. 4.35 Story Time. 5.00 PM: *News Magazine*. 5.50 *Shipping Forecast*. 5.55 Weather, Programme News. 6.00 News. 6.30 I'm Sorry I Haven't A Clue (S). 7.00 News. 7.05 The *Archers*. 7.20 *From Our Own Correspondent*. 7.45 The Monday Play (S). 9.00 Reflections by Gruffudd Parry, writer. 9.30 Kaleidoscope 9.59 Weather. 10.00 The World Tonight. 10.30 The News Quiz (S). 11.00 A Book at Bedtime. 11.15 The Financial World Tonight. 11.30 Music At Night (S). 12.00 *News*.

BBC Radio London

5.00 am As Radio 2. 6.30 Rush Hour. 10.03 The Robbie Vincent Telephone Programme. 1.03 pm London Live. 3.03 Paul Owens' Showcase. 4.30 London News Desk. 5.35 Look, Stop, Listen. 7.03 Black Londoners. 8.00-5.00 am As Radio 2.

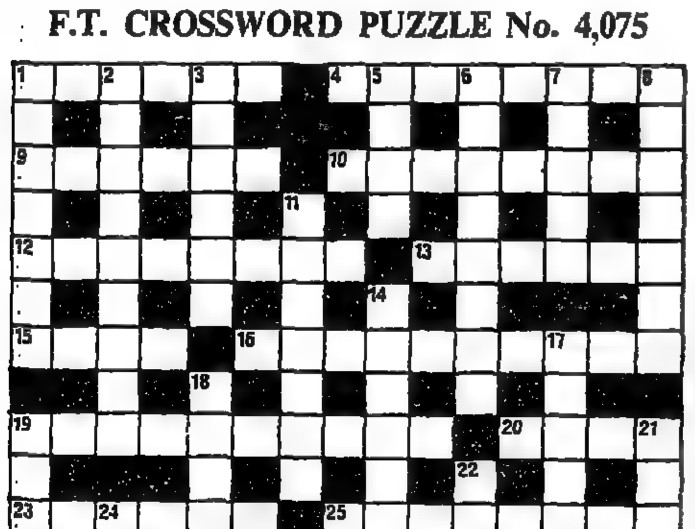
London Broadcasting

6.00 am AM with Bob Holness and Doug Cameron. 10.00 The Brian Hayes Show 1.00 pm LBC Reports. 3.00 *George Gale's 3 O'clock Call*. 4.00 LBC Reports. 8.00 After Eight Special with Douglas Moffitt 9.00 Nightline. 12.00 LBC Reports Midnight. 1.00 am Night *Extra* 4.00 *Monty at Large*. 5.00 Morning Music.

Capital Radio

6.00 am Graham Dene's Breakfast Show (S). 9.00 Michael Aspel (S). 12.00 Dave Cash (S). 3.00 pm Roger Scott (S). 7.00 London Today (S). 7.30 Open Line with Ric Davis (S). 9.00 Nicky Horne's Your Mother Wouldn't Like It. 11.00 Tony Myatt's Late Show (S). 2.00 am Night Flight.

F.T. CROSSWORD PUZZLE No. 4,075



ACROSS

1 Motoring organisation in the old country (6)
4 Hindrances that involved the PGA in temporary expedients (8)
9 Fervid skill must include study (6)
10 Tell a story to restore peace (4,2,2)
12 No, a rupee is enough for a continental (8)
13 Author is a backward artist surrounded by cheese (6)
15 Yes, right to be found in any Early English period (4).
16 Cautious commendation uttered by prudent postman passing kennel (4,6)
19 Sets in motion with a bribe? (4,2,4)
20 Accustomed to what is not new (4)
23 Fame to place in the ruff (6)
25 To succeed, send for the engineer (3,5)
27 Deficiency in the contest causes loss of consciousness (5-3)
28 False gods of an arts graduate disturbed Liam (6)
29 Where the melancholy Dane was to be found (8)
30 Shylock must have safe in the City (6)

DOWN

1 Endeavour to include the old in drama (7)
2 Robin is on communist transport going east (9)
3 Reproduction includes an *overhanging covering* (6)
5 Some come up for the gin (4)
6 Drop tear for one who preys on others (8)
7 Sound change to be found in church (5)
8 Have a meal with the engineer—it's the greatest (7)
11 Girl has a strange habitat (7)
14 Celestial fall-out during precipitation, we are told in song (7)
17 One who goes round a short time as a preacher may be hot (9)
18 Sounds like the abduction of a girl, but it's wrong (8)
19 A perfect score competent as an allegory (7)
21 "—— *of dreams born out of* my due time" (Morris) (7)
22 Trifles can cause fighting to arise in the streets (6)
24 Quietly features fruit (5)
26 Catty expression of pleasure (4)

The solution of last Saurday's prize puzzle will be published with names of winners next Saturday.

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THE ARTS

New York architecture

Up on the museum roof

by FRANK LIPSIUS

Having got a late start in fashioning New York to their taste, the present generation of architects and builders are doing the next best thing: tearing down what already exists, or "piggy-backing" new high-rise structures on landmarks that cannot be eliminated altogether. The latter approach, while technically preserving the building underneath, is particularly infelicitous in dwarfing a structure meant to be preserved under some gigantic glass-and-steel behemoth completely out of proportion to the existing space.

At present, the greatest amount of building in New York is going on in the middle of the city, from 53rd to 57th Street adjacent to Fifth Avenue. The area, which lies between Rockefella Center and Central Park, has traditionally been the heart of the shopping district, with ground-level shops sitting under apartment or office buildings. The side streets off Fifth Avenue have had a surprisingly residential character, with numerous town houses, comparable in dimension if not antiquity to those in Mayfair. Even the apartment buildings rise no more than 10 or 15 storeys.

In this confined area, no more than half-a-mile square, four modern towers are under construction. Two will be corporate headquarters—for IBM and the American 'phone company—which will face each other along Madison Avenue between 55th and 57th Streets. The other two will be residential blocks, one adjacent to IBM, at 57th and Fifth Avenue. Built by a New York developer, the 60-storey structure requires the demolition of the Bonwit Teller store, a fashionable women's apparel shop housed in a fashionable building. The new structure will surround the Tiffany jewellers' building, also a small square building with an elegant façade. Tiffany sold air rights over its own building to allow the new structure to grow to its grandiose proportions.

Though this new structure, with a shopping arcade and jagged-tooth design, has aroused objections for the massive presence it will create at that corner, the greatest controversy surrounds the other residential block, to be built as part of the expansion of the Museum of Modern Art, west of Fifth Avenue at 53rd Street. Unlike the telephone building, which has been controversial because of Philip Johnson's unexpected grandfather-clock-like pediment, lately designated as "fancy-dress historicism," the Museum Tower is a standard, unimaginative glass-sheathed structure. But because of the museum's public status, its building has been more open to public review and dissent.

If the museum has suffered from the public attention that private developers need not face, it has also benefited from special legislation that allows the building to be built in the first place. In addition to a complicated law that allows the museum to sell its air rights (for $17m), it will receive the income that otherwise would have gone to the city as real estate tax. This income will amount to about $2m annually.

The new Museum Tower over the Museum of Modern Art, showing non-existent tower blocks on the right, from architect's model.

Once standard abatements meant to encourage building expire in about ten years. Furthermore, the museum was able to acquire a large parcel of land to the west of the existing structure through "metes and bounds" provisions in the new law, an innocuous term for condemning the property it did not have, which includes a small crafts museum and art book shops in brownstone town houses. It is already in the process of knocking down a beautiful beaux-arts town house, previously used as a museum book shop and offices.

The new museum space will double the area of existing galleries with six floors below the apartment block. Unquestionably, the addition is needed for a museum that has room to display less than a quarter of its collection. The existing space will hardly be touched, except for some escalators being built in the gardens and, of course, the shadow of the new building, which "will not begin to fall on the garden until after two o'clock," according to a defence of the new structure written by the museum.

The Museum of Modern Art is obviously anxious to see the new building erected. It has been on the drawing boards for more than two years, and after a change in developer and initial defeat of its special legislation, it has mobilised considerable political influence and public-relations efforts on its own behalf. As in the quotation about the shadows on the garden, the museum, in its legitimate concern to have a financially-secure future, has courted the disfavour of its neighbours and been disingenuous in its own defence. The model of the new structure that has been widely circulated and used as the basis of debate over the building shows two towers on 54th Street that do not exist. There are town houses where the buildings are shown to be, an inaccuracy that hides the degree to which the new building will dwarf its surroundings. The developer, a Chicago business firm, claimed the model was made by the museum architect, while the general manager of the museum, Edward L. Saxe, assumed the model came from the developer's Chicago office.

The flats in the new structure will no doubt be some of the most expensive and luxurious in the city, boasting nine-foot ceilings, marble accessories and floor-to-ceiling window walls. The museum's memorandum in defence of the new building package claims that "to conserve energy, tinted glass will be used, and there will be only limited use of floor-to-ceiling windows." The museum general manager considered the discrepancy an unfortunate choice of words because, he said, the major energy-conservation measures will be windows that open. Windows that open are not only standard, especially for residences, but they are still hotly debated in energy-conservation circles.

Minor as these distortions may be, they show the precarious balance of the museum's public role. Long the beneficiary of wealthy patrons, including the Rockefellers—who provided the museum with its first premises on another site—and other notable New York philanthropists, the museum has outgrown its dependence on private donors. Its public programmes, especially a constant and enlightening series of film showings, attract huge audiences, who support the museum with membership and entrance fees.

Still, the museum has operated in deficit for more than ten years now, and besides the $17m gained in the air rights' sale, the museum is embarking on an ambitious public appeal for another $40m. Larger space is expected to draw more people and revenue to the museum. In fact, the museum is counting on doubling its income, a goal comparable to the income doubling that occurred after the last expansion. There will also be a bond issue to help secure a new economic base for future operations.

Whether the controversy about the building affects people's support for the museum remains to be seen. The apartment tower is a clever means of bringing wealthy patrons into a new relationship to the museum, getting their money in return for a place to live. The claim that the new galleries will make a splendid foyer for the rich inhabitants of the building displays some of the hostility thus far engendered, raising questions of which clientele the museum is most anxious to secure. The museum might have used its "metes and bounds" powers to get the space it needed without building a tower, a possibility the museum dismisses as inadequate, though the tower itself is not remunerative enough and the museum considers "the expansion plan as an exciting incentive to contributers."

The Museum of Modern Art is an important institution that has given its imprimatur to not only daring contemporary artists but also to objects like typewriters, stereos and other modern gadgets now included in its collection. More than private developers and large corporations, it deserves to make money from New York zoning laws and everyone's desire to be squatting on the same space in the city. The sums must work out for a substantial benefit to the museum to justify the tower, since it is otherwise an expensive new gadget to add to its collection.

Covent Garden

Peter Martins

by CLEMENT CRISP

Calcium Light Night is Peter Martins' first ballet. It is set to eight short pieces by Charles Ives, one of which—named after the calcium lamps used once by Yale fraternity men on nocturnal expeditions—gives the piece its title. I reported on it at the time of the New York City Ballet's Copenhagen season; seen again at the week's end, its succinct, atmospheric dances for Daniel Duell and Heather Watts lose nothing in impact. The language is terse, allusive, full of quirks that match Ives' style—Duell casually alert, quick off the physical mark; Watts precise in the angular, clear-edged solos that find her marking out the limits of the dance area. Personality is hinted at in individual solos; brought together for the last two numbers, these admirable young dancers play unsentimental and sparky games with each other's bodies. The effect is of a personal creative voice—despite some inevitable Balanchinisms—and of a new and intriguing choreographic talent.

Throughout the NYCB season Peter Martins' dancing has been of Apollonian grandeur. His Danish schooling fits aptly in the company identity; the historical parallel with Christian Johannson's shaping of Petersburg dancers in the Bournonville style in the latter half of the 19th century can also be seen today in the presence in the NYCB organisation of the great Danish teacher Stanley Williams—a presence which may well account for the élan shown in the "Spring" quartet of Robbins' *Four Seasons* by four bright young male soloists.

Martins is a dancer of heroic stature, but his performance manner is light, in matter of *ballon* and elevation, and also, more significantly, in the fact that his physical presence is never opaque. The lift and clarity of torso as well as limbs give his interpretations what I can best describe as radiant ease in dynamics. In *Chaconne* or *Diamonds*, in *Four Seasons* bacchanal as in *Dances at a Gathering*, we see a classicism of the finest water: beautiful placing, impeccable finish (clear, tight fifth positions to complete *tours en l'air*, and in everything that harmonious modesty which is the mark of the true premier danseur classique.

Saturday night brought a chance to see *Who Cares?* Set to an assembly of Gershwin melodies, this should serve to remind us that Balanchine worked on Broadway in some of the finest musicals of a decade: *On Your Toes; Babes in Arms; The Boys from Syracuse; Cabin in the Sky.*

Who Cares? is an agreeable exercise for a chorus of what are always known as "Ladies and Gentlemen," who do rather what one might expect them to; the piece takes off into the higher realms of Balanchinian splendour with two stunning solos: *Fascinatin' Rhythm*, in which Patricia McBride shows an electrifying response to dance and music, and *My one and only* for Merrill Ashley, which is so difficult, and so sweetly danced, that the eye is dazzled and delighted. Flawless coloratura dancers both.

Karin von Aroldingen and Sean Lavery in 'Emeralds'

In performances on Saturday there was much to make the heart rejoice. Heather Watts flashed through the Rubies section of *Jewels* with immense aplomb, Robert Weiss nipping in hot pursuit; Kyra Nicholls was like a young divinity with Sean Lavery in the Sanguinic duet from *Four Temperaments* (a ballet which has dominated the repertory this season in magnificence of execution); Suzanne Farrell and Peter Martins in *Diamonds*—required study, like the whole of *Jewels*, for anyone wishing to understand how music finds its sure companionship with dance—showed the unbroken Balanchinian chain of lucid style and aristocratic physical attitudes which takes us back nearly a century to NYCB's real roots in Imperial Petersburg.

Wigmore Hall

Fitzwilliam Quartet

by DOMINIC GILL

The Fitzwilliam began the last of their trio of recitals to introduce the new season at the Wigmore Hall last week with two novelties: a pair of unfinished movements by Mozart, completed by Duncan Druce, for strings and one or two clarinets. Both were well worth reviving (and finished by Mr. Druce without any evident seam)—the most fascinating and richly-worked of the two a late F major Allegro (K580b) dating from the time of the three Prussian quartets of 1789-90, scored unusually for clarinet, basset horn and string trio, full of grave sweetness, dexterous tonal contrasts, and quicksilver counterpoint.

It was a tempting introduction, which the Fitzwilliam followed with their first performance in London of Britten's third string quartet. Almost everywhere—and considering the newness of the work to their repertory, that is a great deal—they caught its manner, and its measure, brilliantly well. The magical incantations of the second movement were beautifully gauged (though none of the three ensembles I have so far heard play it seems to dare yet to give the magic its head, or its full weight of mystery). Christopher Rowland shaped the high-calling, violin song of the third movement very deftly; and the ghostly faery-waltz of the second scherzo's trio was splendidly danced; free but firm. They kept firm, too, the difficult tread of the finale—"La Serenissima," but full of disquiets and regretful shadows. As the performance matures, and settles, it will surely gain in broadness and (the only important quality it yet lacks at some key points) in relaxation.

After the interval they were joined once more by Alan Hacker (the second clarinettist in the Mozart Allegro had been the excellent Leslie Schatzberger) for a clear, well-ordered, and at its best a warmly eloquent account of Brahms's clarinet quintet. Pressed hard, Hacker's tone would sometimes tend to toot and fizz uncomfortably at the edges (the timbre is memorable, and almost his trademark, but apter in some works than others). In the central section of the second movement there were one or two moments distinctly more Peter Maxwell Davies than *Zigeuner*—stirring certainly, but disconcerting too, even as the agility of ensemble, and the smoothness and roundness of phrasing, were commanding. We caught an echo, as the quintet ended, of the last pages of the Britten—strange blend, intimate musical paradox, of troubled serenity.

'My Fair Lady' returns to London

A new production of *My Fair Lady*, will open at the Adelphi Theatre on Thursday, October 25. The show will star Tony Britton as Professor Higgins, Liz Robertson as Eliza Doolittle, Peter Bayliss as Alfred Doolittle, and Dame Anna Neagle as Mrs. Higgins.

There will be reduced priced previews from October 18.

This production has just completed a six month tour of the provinces and its opening at the Adelphi will mark a special return for Dame Anna Neagle who starred there in *Charlie Girl* for 5½ years.

Gorky's 'The Children of the Sun' at the Aldwych

The Royal Shakespeare Company's British premiere production of Maxim Gorky's *The Children of the Sun* opens at the Aldwych Theatre on October 9.

This is the fifth Gorky play to be presented by the RSC in recent years, and the fourth to be a British premiere. *The Children of the Sun* was written while Gorky was in prison for his active part in the 1905 revolution.

Sinead Cusack, Carmen Du Sautoy, Alan Howard, Natasha Parry and Norman Rodway head the cast.

Her Majesty's

The Case of the Oily Levantine

by B. A. YOUNG

The first act is confined to introducing the characters, beginning with the eponymous Levantine, Andreas Capodistriou—otherwise Hywel Bennett an inch deep in slap, his cheeks gleaming oilily, his hair as black and shiny as a Guardsman's boots, his accent straight from Smyrna. We are in the Library of Orcas Chamflower Manor in the 1930s, or anyway the programme says we are. Here the owner, Silas Bazeby, a respectable family lawyer, is engaged in receiving the guests invited by his wife, whose presence has been delayed by a motor accident.

Besides Capodistriou, they are Admiral Knatchbull-Folliatt, Lady Tremurrain, Lavinia Hargreaves and her fiancé Roger Dashwell and Dame Edith Runcible, but you will find before we are far into the second act that they are all someone else. (I don't know how far it is permissible to reveal the plot of a play that depends so much on the delayed exposition of secrets.) In their original characters, at any rate, they are all separately blackmailed by Capodistriou for some past misdeeds; and as that oily parasite kneels in prayer before dinner, the way they do in Smyrna, they all with one accord take a long, curved Kushkara sword from the rack on the wall and swish the blade down towards his neck. And one of them cuts his head off.

Enter, in Act Two, Inspector Bowden of the Yard, who must have been waiting outside the door for something like this to happen. He soon discovers . . . it's no good, I must reveal this next development. He discovers that all the guests, and their soi-disant host and the butler Perkins, are actors, and Capodistriou, whose real name is Jerry Marshall, was their agent. All the suspects, bar one, are equally suspect, for Marshall put all his clients under 25-year contracts and took 20 per cent of their earnings. The odd one out is Bazeby, who has another, less rapacious agent.

What we have here, as Inspector Bowden observes, is a crime inspired by detective fiction, and as he is himself an addict of that genre, he dresses up as Dr. Fell at one moment, a suitable cloak, walking-sticks and pincenez being handy. His sergeant is a Poirot fan, but finds no need to don a waxed moustache. The inspector, by the way, is Hywel Bennett again, given at last an opportunity of some sensible acting, which naturally he seizes with both hands.

The rest of the company, which includes such estimable figures as Adrienne Posta, Anna Quayle, Bernard Archard and William Squire, are required only to play in imitation of actors. The whole business is in fact a parody of a Christie-type thriller of the 1930s, and the playing has to be parody too.

As we can see at the St. Martin's and the Fortune Theatres, there is an avid public for Christie-type thrillers, with no concern for dramatic art and little, oddly enough, for the game of guessing who done it, since they are happy to go and see *The Mousetrap* and *Murder at the Vicarage* again and again. I hope such audiences will enjoy *The Case of the Oily Levantine*, but I shall not be able to join them in this. The parody seems to me elephantine, and the final solution too trivial. I admired Hayden Griffin's heavily balconied set, with its miniature reproduction of Michelangelo's David that looked as if it must have been placed there for some reason but was not put to any use. Patrick Dromgoole, the director, must know as well as we do that the performances are "theatrical" to a degree, but includes this as an element in the joke.

Young Vic Studio

Paradise is Closing Down

by B. A. YOUNG

Cape Town is the scene, the kitchen of Molly's cottage in a street that has lately moved up from coloured to white. (I mean "coloured" in the South African sense.) Molly (Naomi Buch) is Jewish, a first-generation South African of Polish extraction, whose husband has left her for a teenage girl.

As they prepare to go out to dinner she is chatting with Mouse (Helen Bourne), a student from what is still called Rhodesia, and Anna (Barbara Kinghorn), a fully-fledged Dutch South African. A young coloured man (Frank Williams) calls accidentally at the house and forgets his shopping bag when he leaves. You might equate these four characters with the dominant strands in South African society.

Most of the action is off-stage; Molly's flat is burgled, Anna's car is stolen. What is on stage is rather brusquely devised, with entries and exits made to fit the author's convenience rather than mere likelihood, and a good deal of irrelevant material brought in to keep things moving. But it is the talk that matters, not the action.

The author, Pieter-Dirk Uys, indicates sharply how these three women, from different but convergent backgrounds, are stepping blithely along the primrose path of dalliance indifferent to the manifest signs of doom around them. "You've been crying again." "It's just the tear-gas." The conversation is confined to the idiom of middle-class white society, though an occasional phrase shines out like a diamond in the diggings — "The good things in life without the payment in blood" exactly describes what these three are after. As in all the best political writing, the talk is as amusing as it is trenchant, and it is delivered convincingly, under Roberta Dorrant's direction, by the players of the Company of Four, all of them either native to or familiar with Southern Africa.

This is the kind of play I had in mind when I was driven to my outburst of impatience by Brecht's *Private Life of the Third Reich*. Black persecution in South Africa is surely not so much less important to the world of the 1970s than Jewish persecution in Germany half a century ago.

Staff art exhibition

A display of art by National Gallery staff is on view to the public in the Board Room of the National Gallery until September 30.

This is the fourth public exhibition of paintings, drawings and sculpture by people who work at the Gallery.

TENNIS BY JOHN BARRETT

Italians wreck British hopes

BRITAIN'S DAVIS Cup dream for 1979 ended yeterday on the slow playing centre court at the Foro Italico, where Italy, leading two rubbers to one overnight, won the last two singles to complete a 4—1 victory.

In the 12 meetings between the two nations, Britain has won only three times—in 1922, 1926 and 1933, when British tennis reigned supreme. This is the eighth loss since the War, and in the previous three ties played in Italy, Britain had won only two rubbers.

The winning point for Italy was scored by the 29-year-old local idol, Adriano Panatta, who simply allowed John Lloyd to hit himself to destruction.

Panatta's winning margin of 6—3, 6—2, 6—3 was as straightforward as it would suggest. Lloyd never threatened him. The first set began with five successive games to Italy, and during this spell Lloyd was endeavouring to attack on every occasion, but most of his attempted approaches to the net ended with a wild shot, either into the net or far beyond the base line.

There was a momentary glimmer of hope when Lloyd held serve in the sixth game and then for the first, and, as it transpired, only time in the match broke the Italian's service as Panatta delivered a third double fault and then was left stranded as Lloyd projected a winning back-hand lob.

This was about the only moment which the small but vociferous band of British supporters could cheer.

Having recovered from 0—5 to 3—5 Lloyd could not prevent Panatta from holding his service to 15 with a searing service winner.

The second set is best forgotten. It fell to Italy 6—2 in a mere 30 minutes.

At least in the third set Lloyd did begin at last to rally, and now Panatta was having to work for his points. But the 1976 Italian and French Open champion, who had led Italy to their only Davis Cup win the same year against Chile in Santiago, was much too wise a campaigner to change a winning game.

The final match, reduced by agreement between the captains to the best of three sets instead of five, resulted in an 8—6, 7—5 win for Corrado Barazzutti over Buster Mottram, who had led 5—2 in the first set.

The British team manager, Paul Hutchins, was philosophical afterwards about the thrashing suffered by the same team who last year carried Britain to the final of the Davis Cup for the first time since 1937.

He said "I would choose the same team again in the same circumstances if we were playing the match tomorrow.

"We were playing the best clay-court nation in Europe, and they had to start as favourites. For the future I may have to consider some younger players who have proved their worth—men like Andrew Jarrett, Rohun Beven, Jonathan Smith and Richard Lewis. But that is not to say that the present four are necessarily finished. It is too early to say."

Doubtless the inquests will rumble on within British tennis circles about this loss—not so much about the result, but more the manner in which the team was defeated.

In Saturday's doubles Mark Cox, the 36-year-old Leicester-born left-hander, and David Lloyd, five years younger, were totally outclassed and ill-at-ease against the No. 2 Italian pair, Barazzutti and Tonino Zugarelli, as they were beaten 7—5, 10—8, 6—1. It was a nightmare of a match for all four players, and it was no surprise when afterwards Lloyd announced his retirement from future British teams.

More serious for Hutchins is the form and attitude of John Lloyd. Although I am sure he was trying, there was an apparent air of careless abandon about his play. Lately, there has been a welcome return of form, after almost 12 months without a win, but on clay courts his game is simply too dangerous and ambitious to succeed against world class players, except on rare days when everything is working to perfection.

Mottram comes out of this match with tremendous credit. His 6—0, 6—4, 6—4 defeat of Panatta on Friday revealed a new aggression which, added to his natural defensive qualities, make him a truly formidable exponent of the clay court art. He improves all the time, and at 24 has several years yet of Davis Cup service ahead of him.

SOCCER BY TREVOR BAILEY

Subtlety missing at the top level

AT WEMBLEY last Wednesday England reverted from their normal fluid 4-4-2 formation, favoured by many First Division clubs including Liverpool and Nottingham Forest, to a far from convincing 4-3-3. Although their 1—0 victory over Denmark, not one of the most powerful international sides, almost guarantees them a place in the European finals, it was an undistinguished match, enlivened by the brilliance of Keegan, who sparkled like a true diamond among a cluster of carefully-made imitations.

It was hard to imagine a forward line consisting of two basic wingers—the industrious Coppell on the right; and Barnes, still having difficulty in maximising upon his considerable individual skill, on the left; and the darting Keegan, who is liable to appear anywhere in the front line, seriously inconveniencing a well-disciplined rearguard. McDermott, with the type of service he receives at Merseyside, but not against Denmark, could cause problems with his fast breaks, but neither Brooking nor Wilkins is likely to be among the goal-scorers this season

A big weakness of Ron Greenwood's side was, with the exception of Keegan, the predictability. There is nothing wrong with a simple pass, but it does help to introduce occasionally the subtle one, which is far more likely to wrong-foot the opposition.

Exactly the same criticism can be levelled against most of our League clubs, some of whom are not seriously interested—the number is thankfully dropping—in mounting an attack until the ball is safely in the opponents' half. There is also a suspicion that many coaches lose the individual skill of a particular player in the effort to fit it into the team pattern.

On Saturday, Nottingham Forest, who in the last two years have established themselves alongside Liverpool as a great side, were [illegible] down to form [illegible]

Against Forest's basic 4-4-2, Norwich's manager, John Bond, used a three-man back line, an unusual midfield quartet consisting of a natural full-back, a utility player, a light-weight striker, and a genuine half-back, and a front-line with a double spearhead and a basic left-winger used on the right flank.

Confronted by such an accomplished team as Forest, who are averaging two goals per match at home and away, it was a brave, tactical move, but it proved highly successful. One of the main reasons it worked was the novelty, plus the fact that Norwich have achieved the aim of every manager—playing above their basic individual ability through teamwork.

In this absurd era of £1m transfers, which are totally unrelated to the economics of the game, it is most heartening to find a club such as Norwich playing so well, showing great enthusiasm. Norwich are in the process of building a new £1m stand and in terms of [illegible]ntual returns, this project [illegible] prove a greater asset [illegible] first £1m player, the [illegible]ented Trevor Francis, [illegible] spectator on Saturday, but seems to be much-needed on the pitch.

The team that Bond has built for so very little on current prices inevitably is a shade short of class, though not up front, where the remarkable Fashanu and the impressive Reeves were a more effective pair than Birtles and Woodcock. Both combine ability on the ground and in the air with pace and bravery. Their skill, persistence and effort forced many errors from what is regarded as one of the soundest defences in the land.

Reeves is already an England prospect, and if the tall and graceful Fashanu continues to develop as quickly as he has done during the last 12 months, I fancy he could be an even more valuable asset, with his natural instinct to do the unexpected, plus his energy.

The one problem which is bound to arise is how Norwich can keep this splendid pair of strikers with their rather disappointing home gates. After all, both players must know they can collect five per cent of the enormous transfer fee which some wealthy club is bound to offer in the near future.

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BBC: licence and liberty

Mr. William Whitelaw, the Home Secretary, has two objectives as he puts the finishing touches to his plans for BBC financing. He is determined to move the corporation away from the poverty line and at the same time distance the Government, to some extent at least, from the political storms which are caused by frequent licence fee increases. It is hardly surprising that these objectives have the enthusiastic support of the BBC itself. The realities of life, however, may prevent the evolution of a policy that will please everyone.

The BBC is moving deeper into debt on its present £25 colour licence fee. At the same time, it wants to maintain its editorial independence, but knows that its views on this subject are not shared by all members of the present Cabinet. Yet, on the whole, it has no doubts about its own wishes. It would like a long-term — perhaps five years or more — budget planned at 1980 prices, and funded by a licence fee firmly tied to some form of index. It would like the Government to agree to the budget and then leave the stage. The licence fee would rise from time to time automatically.

The Home Office appears to have gone some way along the road towards accepting the theory, but has shied away from the practice. Mr. Whitelaw made it clear at the Royal Television Society conference in Cambridge over the weekend that his idea of long term is four years. The word "indexation" is one that clearly does not feature in his vocabulary. Instead the BBC looks likely to have the four-year budget it wants, coupled with an undertaking that Government will increase the licence fee when it feels it necessary in order to deal with inflation. The BBC might regard this as a commitment to indexation, but the Home Office certainly does not. The initial fee is likely to be about £35.

Dilemma

The dilemma for Mr. Whitelaw has been that preventing the BBC from becoming a political football also involves the risk of removing the BBC from financial discipline. Apart from the inherent dangers of an indexed income for the corporation—others might seek a similar arrangement—the BBC unions might be tempted to use the chosen index as a benchmark for their own pay negotiations. By making an unspecified promise Mr. Whitelaw reserves to himself the right of turning to the public and saying: "It is not my fault the licence fee is going up," while at the same time curbing his generosity if the BBC seems to be financially misbehaving.

The BBC itself does not regard this as unfair. It is keen to negotiate a global amount with the Government and would resist intervention only if it was on specifics. To be told that it was getting £10m a year less would be acceptable, but to be told to cut out Radio Two would not.

Unfortunately, the essence of the problem is how to retain financial control over the BBC while not affecting editorial independence. Mr. Whitelaw is a broadcasting enthusiast. He spent much more time at the Television Society's gathering than would have been required by a duty call. He has an affection for the business which has been seen in Postmasters General and Ministers of Posts and Telecommunications in the past, but rarely in Home Secretaries.

Delight

This delight in broadcasting is not one that is shared by all of his Cabinet colleagues. The shadow of the broadcast interview with the Irish National Liberation Army still hangs over talks about BBC independence. The Whitelaw view that the BBC is a special case may not recieve an entirely sympathetic hearing.

Whatever the final details of the Whitelaw scheme, the BBC must not be so insulated from the financial realities of the next few years as to be able to ignore them. We should all like to make long-term plans in the total confidence that the money would be available to fulfil them. It is a luxury, however, in which few can indulge. At the same time, the BBC must not be allowed to drift closer and closer to being just another recipient of an annual grant-in-aid, as it has done recently. Between the start of 1968 and the end of 1978 there were six licence-fee changes, usually as the result of the BBC taking the begging bowl along to assorted Ministers.

If the Whitelaw plan changes that, then it will have achieved a great deal. The Home Secretary is a vastly more powerful figure than previous Ministers responsible for broadcasting; Mr. Merlyn Rees, for example, delegated the whole area to Lord Harris. Thus the BBC is on its firmest ground for a long time in seeking a better working environment. At the moment, it looks as if the Government is moving towards the best solution for an extremely sensitive complex of problems.

Wage pressures in Italy

ONCE AGAIN there is talk of a "hot" Italian autumn. But a comparison with 1969 would be highly misleading. Unlike the unrest of 10 years ago, which centered on the private industrial sector, and which in retrospect marked the end of Italy's "economic miracle" of the '60s, the present disturbances are in the public sector. The planned peak came towards the end of last week with a total shutdown of the railways and of hospitals, the postal service, and of central and local Government offices throughout the country.

The ostensible grievance of the major confederated unions is the failure of the Government to index the pay of state employees according to the so-called scala mobile, enjoyed by their private sector counterparts.

Uncomfortable trial

The strikes are an uncomfortable trial for the month-old administration of Sig. Francesco Cossiga, which is weak even by Italian standards. But its demise is unlikely until the major political parties have reached a compromise on a more stable formula (harder to find with every crisis) by which the country can be governed.

To meet the demands of the main unions would add nearly L 3,500bn (£1.9bn) over the next three years to expenditure, at a time when the public sector deficit already stands at 15 per cent or more of GDP. It is fortunate that Italy's external finances remain in such remarkably good order. Moreover, in economic terms, the strike call appears to have little logical basis. The unions are claiming that an improvement in employment conditions for public sector workers will be the first step towards an overhaul of the country's chronically inefficient bureaucrasy.

Autonomous Left

But the argument has been heard any number of times before with no resulting improvement in the service offered. The truth of the matter is that Italy's union movement is profoundly unsure of its role, and [illegible] constant threat of being outflanked by the so-called "autonomous" left, which corresponds to the militant fringe of British trade unionism.

A succession of precarious Governments, and the association of the Communists with the ruling majority has pulled the unions much further into the political process than they are prepared for. And a more moderate stance, exactly as the Italian Communists found in political terms, has opened up a vacuum on the left into which the militants have naturally moved. The current unrest is therefore in large measure a calculated public display by the traditional unions that they still have teeth.

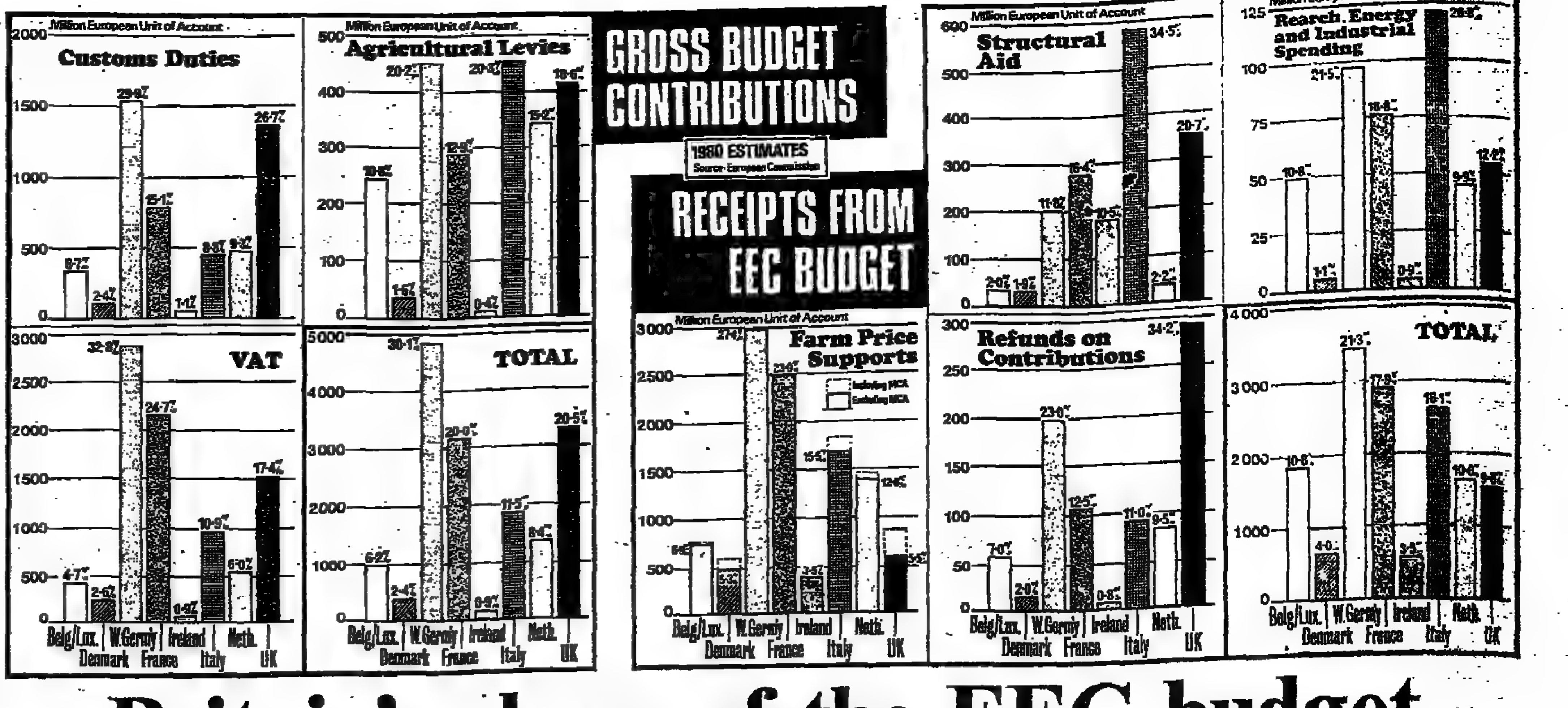
As for the public sector employees themselves, one might argue that the claim is in many respects preposterous. Not only do they have pension terms as attractive, if not more so, than workers in the private sector, but they are in effect unsackable. The consequence is that many (if not a majority) of them have second jobs, often more interesting and as remunerative as their supposed main occupation.

Scala mobile

It is understandable that the Italian unions should want to have something to show for public service employees, after the advantages (still hard to quantify) won in the hard-fought negotiations for new three-year labour contracts for industrial workers concluded on the eve of the Summer holidays.

But it is certainly scarcely in Italy's interest to witness a further reinforcement of the *scala mobile*—which already makes control of inflation peculiarly difficult—especially at a moment when a growing weight of argument is in favour of reducing its scope by the exclusion of energy costs from the indexation calculations.

Were there an real prospect of creating a full-time public administration, the price now being demanded would, of course, be small. But to erradicate the second job, pay for the first would presumably more or less have to be doubled, and that is clearly not on the next



Britain's share of the EEC budget

By GUY DE JONQUIERES and MARGARET VAN HATTEM in BRUSSELS

THE BRITISH Government returns to the offensive in Brussels today for what it hopes will be the start of the decisive phase in its latest battle to secure a better deal out of EEC membership. The campaign has been waged for almost a year, under both Conservative and Labour administrations, and if no clear outcome is yet in sight the Government can at least claim to have achieved some movement towards its objectives.

When Sir Geoffrey Howe, the Chancellor of the Exchequer, confronts the eight other Finance Ministers here he will be able to cite a new report by the European Commission which lends helpful backing to many of his arguments. The report confirms that the gap between the sums Britain contributes to the Community's budget and what it gets back is now substantial. It also forecasts that next year the difference will widen further to more than £1bn, making the UK the single biggest net contributor.

Hard struggle for UK

The report is the starting point for an intensive examination to be conducted by the EEC over the next three months of Britain's and Italy's complaints that the financial and economic odds of membership are stacked against them. It was set in motion last July at the urging of Mrs. Thatcher, the British Prime Minister, who persuaded other EEC leaders to agree to discuss possible remedies at the next "summit" in Dublin at the end of November.

Although the setting of a timetable imparts some urgency to the proceedings, it does not guarantee any concrete results. Indeed, the signs are that the UK faces a struggle at least as hard as the one leading up to the 1974-75 renegotiation of its membership which, coincidentally, also reached a climax at a summit in Dublin.

There are two main reasons why the problem of British payments to Brussels, which was supposed to have been settled in Dublin only five years ago, has re-emerged so forcefully. One is that the so-called "corrective mechanism" agreed in Dublin, which was intended to provide refunds to countries paying more than their fair share, has not been effective. This is largely because it was geared to a country's gross, not net, contributions. In any case, refunds from it are limited to 250m units of account annually —a mere fraction of the more than 1.5bn u.a. which Britain expects to contribute net next year.

The second, and more fundamental, reason is that the British economy has failed to adapt structurally to the rest of the Community as rapidly as had been hoped at the time of entry. Nor has the Community created on any large scale new common policies from which Britain could expect to benefit.

The differences between the UK's economic and trade patterns and those of its continental partners affect it most adversely on the contributions side. The Community budget is financed semi-automatically by a so-called "own resources" system, under which member countries pass on to Brussels the customs duties and agricultural levies collected at their frontiers on imports from countries outside the EEC. This money is topped up by a portion of national value added taxes, currently about 0.8 per cent of the total assessed in the Nine.

Though Britain buys about 41 per cent of its imports from the rest of the EEC, up from 34 per cent just before entry, the proportion in most other member countries is significantly higher. So the UK has to pay over more in customs duties. It is the only country whose payments have risen steadily since 1974. They are expected to amount this year to a quarter of the EEC total, compared with less than one-tenth for Italy and one-seventh for France.

NET CONTRIBUTIONS AND RECEIPTS —EEC BUDGETS 1979 AND 1980
(in millions EUA)

	1979 (A)	1979 (B)	1980 (A)	1980 (B)
Belgium	+338	+368	+332	+550
Denmark	+224	+455	+283	+370
Germany	−1,155	−1,018	−1,107	−1,048
France	−322	−90	−120	−19
Ireland	+365	+578	+436	+513
Italy	+754	+481	+871	+734
Luxembourg	+251	+251	+292	+292
Netherlands	+72	+229	+359	+422
UK	−527	−1,254	−1,552	−1,814

Notes: − indicates contributions; + indicates receipts. MCAs are attributed to importing countries in column (A) and to exporting countries in column (B).

Britain's small farming population also means that it depends heavily on food imports. It could buy these from EEC producers, but it has continued so far to purchase sizeable amounts from third countries, particularly Commonwealth suppliers. These imports, unlike intra-EEC farm trade, are subject to levies estimated at 377m u.a. this year—the third biggest after Germany and Italy. France, on the other hand, which has a large farm sector, paid only 11.1m u.a.

The problem of VAT

The UK stands to do little better under the VAT system, either, which in effect penalises it for its relative economic decline. One symptom of this is that a high proportion of Britain's GNP is accounted for by consumption, which is subject to VAT.

If no corrective action is taken, the UK's share of the budget cost will be boosted further next year, with the ending of the arrangements in its accession treaty which limited the annual rise in its gross budget contributions. The Commission forecasts that these will rise to 20.5 per cent from 17.6 per cent this year, even though Britain's GNP will only be 16 per cent of the EEC total. On a per capita basis, its GNP is the third lowest of the Nine. But France, with more than 25 per cent of the EEC's combined GNP, will pay less than 20 per cent of the budget bill.

On the other side of the balance sheet the UK fares badly because it gains little benefit from the Common Agricultural Policy, which soaks up more than two thirds of EEC spending. In past years, there have been disagreements about exactly how much Britain gains from the CAP because of the sizeable sums paid out in monetary compensatory amounts (MCAs) used to bridge the gap between market exchange rates and the artificial "green" rates used in farm trade. When the pound was weak and the UK had substantial MCAs, other countries argued that these were largely a subsidy to British consumers, cutting the cost of imported food.

This has been effectively neutralised by the virtual elimination of Britain's MCAs in recent months. If sterling remains stable, it is estimated that the UK will receive less than 8 per cent of intervention spending next year, by the most generous calculation.

Controversial choices

The UK would rather put the onus for proposing a solution to its budget problem on the Commission, not least because the possible alternatives all involve politically controversial and in practice, difficult choices. One way would be to curb spending on the CAP, to free resources for other policies which would benefit the UK. But the meagre results of past efforts to reform the farm sector offer scant hope that agreement can be reached quickly on the necessary measures.

Especially strong resistance to any new initiative of this kind can be expected from France, where President Giscard d'Estaing is likely to face strong Gaullist pressure to safeguard French interest in Europe during the run-up to the 1981 presidential election campaign. National elections are also due in Germany next year. Chancellor Schmidt will doubtless not want to rock his party's coalition with the Free Democrat Party by upsetting Herr Josef Ertl, the FDP Agriculture Minister and diehard champion of EEC farm spending.

A second option would be to expand substantially the EEC budget, keeping the CAP intact and providing extra funds for non-farm policies. But Mrs. Thatcher, as a doctrinaire opponent of high public spending in any form, is against such a step, as are most other governments, all of which are pursuing restrictive fiscal policies at home and do not see why they should hand over more money to Brussels.

A third approach, and the one Britain appears to favour most, would be to adapt the system of budget contributions by devising a more effective financial mechanism. The Commission has already suggested that the EEC should link countries' contributions to their economic growth, so that payments by a wealthy country should rise in line with its prosperity, while poor countries' contributions should not grow faster than their capacity to pay.

But the UK wants more than just a safeguard against future increases in its payments. It wants them cut. That would mean not only that the "own resources" system, painfully negotiated only three years ago, would have to be fundamentally revised, but that other countries would be required to step up their own contributions immediately to make up the shortfall. Few are likely to welcome such an obligation.

Until now, Mrs. Thatcher, to secure a budget solution, has banked heavily on her Government's claims to be more "European" than its predecessor. But if no real progress is made over the next three months, she may have to take a tougher line. Before she came to power, some of her advisers suggested that if its partners refused to yield, the UK might threaten not to pay its budget contributions. That remains the ultimate sanction.

But Britain has one other ace up its sleeve. The current "own resources" arrangements are expected to reach their ceiling in 1981. The obvious way to increase them would be to raise the statutory limit on countries' VAT contributions above its current level of 1 per cent of the total. But Germany has already served warning that it is unwilling to do this and will insist instead on a reform of spending within existing revenues. That would lead to a major row in Brussels. Either way, the stage seems set for some tough negotiations in Brussels during the months ahead.

MEN AND MATTERS

Answering the call of the wild

If half London seemed, one way and another, pre-occupied with demonstrations yesterday, at least Hector Monro can put such things behind him for a few days. The Minister for all sorts (the Tory Denis Howell, in case you hadn't caught up) is off to Switzerland to sign a Council of Europe convention aimed at reconciling agriculture and environment.

Dullish as this might sound, Monro is certain to enjoy an interlude out of reach of the many trying to bend his ear about the proposed South African rugby tour. As a former Scottish international and one-time president of the Scottish Rugby Union—said by some to be the last repository of classical Neanderthal conservatism—his strong anti-tour line has horrified the rugby world.

Sorting out the wildlife problem should be child's play by comparison. Although some Europeans, particularly the Italians, French, Maltese, Greeks and Cypriots, refuse to get dewy-eyed about animals, Monro thinks they will all sign the convention. "Our intention," he says, "is to stop people going round shooting at animals with machine-guns."

To be ruled out of court will be the whole armoury of the modern hunter—tape-recorder, nets, explosives, mirrors and gas. Monro also feels strongly that shooting animals from a helicopter or from a moving vehicle are essential parts of the agreement. New Zealanders, he says, are particularly fond of annihilating deer from helicopters.

But from the other end of the barrel, surely it all comes to much the same thing? Not at all, insisted Monro, then seemed lost for an argument. "The difference . . . the difference is . . ." he fluffed. The Dumfries farmer found his feet at last. The difference is, it seems, in "the nobility of stalking."

Travels in exile

Well-nigh submerged by the flurry of revolutions and general upheavals that have taken place since, Chile remains a powerful rallying cry in Britain, especially on a sunny day. Yesterday saw the sixth demonstration marking the anniversary of the coup which toppled Salvador Allende, and once more his widow Hortensia—an attractive lady of 64 rather improbably cast as a revolutionary heroine —turned up to speak to the Chile solidarity campaigners, about 4,000 of whom marched to Trafalgar Square to listen to her. In the six years since the overthrow and death of her husband, she has travelled the world—the day before she had been in Holland, a few days before that, Havana, flying from one conference or demonstration to another.

Her driving force seems to have less to do with dialectical materialism than patriotism and a deep-seated rage at what has been done to her husband, her friends and her family. "It is like a volcano there," she insisted to me. "One day soon it will erupt. In ten years I will be back in Santiago."

She has not been allowed to go home since the day she arrived in Mexico City with only the clothes on her back. The junta, however, has now removed the police colonel living in her house in Santiago, and allowed her to let it and her holiday house on the coast. She lives off the rents. "But everything was looted," she says sadly. "Salvador was an art lover. We had many paintings and antiques."

Another platform

The Chile campaigners gathered round Nelson column. Michael Foot began to speak. I left to visit a demonstration taking place at a more unlikely venue — a new underground pedestrian precinct in the shadow of Waterloo Station. There, incongruously, stood the figure of Dr. Shahpour Bakhtiar, the last Prime Minister of Iran under the Shah, addressing 7,000 of his fans living in London. It seemed an odd place to make what one of the rally organisers described as "his first public speech abroad as Prime Minister." It was, nonetheless, an emotional occasion for the man who disappeared from his office on the day the Tehran uprising reached its climax eight months ago.

Wiping the tears from his eyes, he told his chicly dressed fellow exiles he would "fight for the freedom and glory" of Iran to his last breath. A statement handed out to the crown condemned President Carter's supply of arms to the Khomeini regime as "a tragic mockery" of human rights.

Around this scene London's police had mounted one of the biggest security operations seen in recent years. The serried ranks of the men in blue, some in helicopters overhead, must have comforted the Dior-dressed, Gucci-shoed followers of Dr. Bakhtiar, most of whom seemed to be women.

Not many miles away a more modest demonstration by pro-Khomeiniites was taking place. A third faction chose to stay uncommitted in the middle. Altogether not the best augury for Bakhtiar's prospects of returning to power.

On from kites

London businessman Fred Marsh goes off to China this week with hopes of discovering hot air balloonists and hang gliding enthusiasts. "They ought to be good at hang gliding," says Marsh, 54-year-old vice-chairman of the Royal Aero Club. "I'm told they use to send a man up on a kite when a ship was launched, to give it good luck."

The All-China Sports Federation has invited Marsh to attend its gathering at the end of this month, and to make a tour to meet aviation sportsmen. "I have absolutely no idea of what to expect," he admits. The Royal Aero Club embraces every kind of flying sport, including model engineering, and Marsh showed me a report from Peking that some Chinese aeromodellers claim to have broken a world distance record.

His own enthusiasm is for "formula racing" in light planes at low level. Will he be encouraging the Chinese to try such dangerous pastimes? "Well we haven't written any body off yet," he said.

The International Areonautic Federation has been hoping since the death of Mao to make contacts with aerial sportsmen in China. "Some other countries are quite envious that Britain has been given the first invitation to find out," says the bemonocled Marsh with satisfaction. "The Americans are spitting blood."

Wishful thinking

Billed as "The 11th Multi-Choice Symposium," a trilingual conference in Amsterdam next month stretches the optimism of even the most ardent Thatcherite. One subject on the agenda is "The UK as a tax heaven."

FINANCIAL TIMES

Eurobond Quotations and Yields

AIBD

THE ASSOCIATION OF INTERNATIONAL BOND DEALERS

At 31st AUGUST, 1979

The Association of International Bond Dealers (AIBD) compiles current market quotations and yields for Eurobond issues. These quotations and yields are published monthly by the Financial Times. The Association's prices and yields are compiled from quotations obtained from market-makers on the last working day of each month. There is no single stock exchange for Eurobonds in the usually recognised sense—secondary market trading business is done on the telephone between dealers scattered across the world's major financial centres.

Membership of the AIBD (which was established in 1969) comprises over 450 institutions from about 27 countries.

Apathy in markets

BY NICHOLAS COLCHESTER

It was during August that the new chairman of the Fed in Washington, Mr. Paul Volcker, made his presence felt. He succeeded Mr. William Miller on August 6 and, on Tuesday August 14 the much anticipated tightening of U.S. monetary policy was indicated. Between the beginning and the end of the month the federal funds rate rose from 10⅝ per cent to 11.25 per cent. The prime rate went from 11¾ per cent to 12¼ per cent and the six month Eurodollar rate went from a little over 11 per cent to 12¼ per cent.

Although there was universal agreement that this was a move in the right direction in the U.S. Government's long struggle with inflation, it did little for the dollar sector of the international bond markets. It was noticeable that the response of the domestic investors on Wall Street was more positive than the response of those investors with an international perspective and with the dollar exchange rate risk to worry about.

While the U.S. bond markets exhibited mild strength in the wake of Mr. Volcker's arrival the Eurobond market turned a blind eye to this rally. It was almost universally agreed that the rise in interest rates needed to have bite as well as bark.

The inflation figures out of the U.S. remained alarming and were often cited as meaning that real interest rates in the U.S. were still negative, even though they might be approaching records in nomical terms. The figures for money supply and bank credit reinforced the impression that they were still not proving a deterrent. The impact of the rise in U.S. rates was also lessened by the relative rise in the interest rates of strong currencies like the Swiss franc and the D-Mark. The three month rate for the latter went from 6⅝ per cent to 7½ per cent.

The result was that a marked rift developed between the yankee bond market which was supported by U.S. investors and the Eurodollar bond market which was not. Towards the end of the month the yield differential between bonds of similar quality and maturity had reached about ¾ of 1 per cent.

The prices in the market weakened only slightly over the month, although by the end yields of under 10 per cent in the Eurobond market were hard to find. The main signs of distress came from dealers rather than investors. The mounting level of short term dollar rates made inventories of dollar bonds more and more expensive to finance.

Apathy on the part of investors towards straight dollar bonds was complete and the new issue market for straight Eurodollar bonds, except for one issue, remained shut the entire month. The only action was in the market for floating rate notes which were snapped up because of investor preference for short term investments or investments with returns linked to short term rates.

So an apt symbol of the month was the $300m "tap" FRN floated by Credit Suisse First Boston for Citicorp. This combined a very short average maturity of 3½ years with a spread above interbank rates of zero. The spread could even be considered negative because the interest payments were set at the mean of the bid and offered three month interbank rate.

Nevertheless the issuing house had no need of the time limit of six months which had been set for the note. CSFB was able to take the entire second tranche of $200m off Citibank before the month was out.

If this pace in the primary sector of the dollar FRN market is maintained the volume of such issues will easily set a new record in 1979. Already in August the volume had matched the figure for all of 1978 and FRNs had accounted for one third of all dollar issues in the Eurobond market.

The D-Mark sector of the international bond market meanwhile started the month a level of popularity not seen since before the Carter package in defence of the dollar in November 1978. The strength in prices was not sustained throughout August, partly because the threat of mounting inflation continued to exercise the Bundesbank. But the tone remained firm and the issuing banks were able to price quite aggressively and to agree on a large monthly calendar of bond issues for the four weeks from August 21.

The yield of 7.21 per cent which Deutsche Bank established early in August on an eight year private placement for the World Bank was the lowest for four months. Yet at the end of August Bayerische Landesbank was able to float eight year D-Mark paper for Austria with a yield of 7.08 per cent. The Capital Markets sub-committee fixed a monthly volume of DM 750m, the largest since January, and comparing with the DM 200m volume which had been set (but substantially exceeded) for the previous period.

Among the other hard currency alternative to the dollar the Dutch Guilder was noteworthy. Yields on medium term notes declined by 0.4 per cent over the month to around 8.6 per cent. This rate of return has become more attractive to investors now that the rate of inflation in the Netherlands has fallen below that in West Germany, where yields are still 1¼ per cent lower. Nor has the Guilder been under particular strain in the European Currency System.

In the course of the month the Dutch authorities relaxed the restrictions on Dutch entities tapping the Euroguilder bond market. They may now float Euroguilder issues provided that the maturity is a minimum of seven years.

The foreign bond market in Swiss francs had a month of moderate activity in August. There was a small rise in prices over the month, reducing the yield over 10 years for good quality issuers very marginally to about 4¼ per cent. From the investors point of view this yield was made slightly less appealing by the uptrend in Swiss inflation, whose rate had climbed to about 4 per cent per annum.

Nevertheless, the weakness of the dollar market, and the question mark over the dollar exchange rate, continued to steer some investors towards their traditional currency refuge. The Swiss franc new issue market continued to see steady interest in the low Swiss coupon rates, but no rush developed.

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The table of quotations and yields gives the latest rates available on 31st July, 1979. This information is from reports from official and other sources which the Association of International Bond Dealers considers to be reliable, but adequate means of checking its accuracy are not available and the Association does not guarantee that the information it contains is accurate or complete.

All rates quoted are for indication purposes only and are not based on, nor are they intended to be used as a basis for, particular transactions. In quoting the rates the Association does not undertake that its members will trade in all the listed Eurobonds and the Association, its members and the Financial Times Limited do not accept any responsibility for errors in the table.

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Austrian Quotes
Quotations and Yields of Austrian Eurobonds

ISSUE	COUPON DATES	REPAYMENT	SINKING FUND (STARTING)	PRICE BID	PRICE ASKED	CURRENT YIELD	CURRENT YIELD TO MATURITY
D-MARK BONDS							
6¾% Brenner Autobahn 1968 (G)	1.2-1.8	1.8.74-83	1.8.73	100½	101½	6.59%	9.57%
6% Donaukraftwerke 1959 (G)	1.2-1.8	1.2.65-84	—	99½	100	6.02%	6.16%
6¾% Donaukraftwerke 1973 (G)	1.3	1.3.73-87	1.12.77	98¾	99½	6.81%	6.90%
7% Girozentrale Wien 1976	1.11	1.11.81	—	101	101½	6.91%	6.37%
7¼% Girozentrale Wien 1976	1.11	1.11.83	—	101½	102	7.13%	6.76%
8¾% IAKW 1975 (G)	1.5	1.5.80-85	—	103½	103¾	8.45%	7.97%
6¾% Kelag 1973 (S)	1.5	1.5.79-88	1.2.78	98½	98¾	6.85%	6.98%
8¾% Oester. Draukraftwerke 1975 (G)	1.3	1.3.81-85	—	106	106½	8.24%	7.35%
7% Oester. Elektrizateswirt 1967 (G)	1.2-1.8	1.2.73-87	—	100½	100¾	6.97%	7.02%
7% Rep. Oesterreich 1968	1.4-1.10	1.4.73-82	1.4.72	101½	102	6.89%	6.51%
6½% Rep. Oesterreich 1969	1.4-1.10	1.4.75-83	1.1.74	100	100½	6.48%	6.53%
9% Rep. Oesterreich 1975	1.2	1.2.83	—	104½	105	8.59%	7.40%
8½% Rep. Oesterreich 1975	1.5	1.5.78-87	1.2.77	104¾	105¼	8.10%	7.62%
7¾% Rep. Oesterreich 1976	2.5	2.5.83-88	1.2.82	105½	106	7.34%	6.69%
6¾% Rep. Oesterreich 1977	1.4	1.4.83-85	2.1.82	100	100¾	6.72%	6.67%
6½% Tauernkraftwerke 1968 (G)	1.3-1.9	1.9.74-83	1.9.73	99¾	100¼	6.49%	6.56%
7% Tauernkraftwerke 1968 (G)	1.2-1.8	1.2.74-83	—	100	100½	6.98%	7.02%
9½% Tauernautobahn 1974 (G)	1.7	1.7.81	—	104½	105	9.07%	6.70%
8½% Voest 1975	1.10	1.10.79-88	1.6.78	103	103½	8.23%	7.99%
8½% Voest 1973	1.6	1.6.81-85	—	103¾	104¼	8.17%	7.62%
6¾% Voest 1977	1.6	1.6.84-89	—	98½	98¾	6.85%	6.96%
7% Wien 1968	1.6-1.12	1.6.74-83	1.6.73	100¾	101¼	6.93%	6.72%
8¼% Wien 1975	1.8	1.8.79-84	—	103	103½	7.99%	7.55%
U.S.$ BONDS							
6% Rep. Austria 1964	31.1-31.7	31.1.71-84	3.1.70	97½	98	6.14%	6.64%
6¾% Rep. Austria 1967	15.3-15.9	15.3.72-82	15.3.71	97½	98	6.91%	7.69%
8¾% Rep. Austria 1976	15.8	15.8.78-90	15.8.77	96	96½	9.09%	9.30%
6¾% Aust. Electricity 1966 (G)	1.1-1.7	1.7.70-86	1.7.69	98½	99	6.72%	6.98%
6¾% Aust. Electricity 1967 (G)	1.4-1.10	1.10.71-82	1.10.70	98½	99	6.84%	7.35%
5¾% Alpine Montan 1965 (G)	15.6	15.6.72-85	15.6.71	93½	93¾	6.15%	7.14%
8¼% Tauernautobahn 1977 (G)	15.3	15.3.83-87	15.3.82	90½	91	9.09%	10.03%
6½% Transalpine Fin. Hldg. 1966	31.10	31.10.70-85	31.10.69	92¾	93½	7.01%	8.01%
6¾% Transalpine Fin. Hldg. 1966	31.7	31.7.70-85	13.7.69	94	95	7.14%	7.93%
6¾% Transalpine Fin. Hldg. 1967	31.1	31.1.73-82	31.1.72	97½	98½	6.91%	7.78%
6¾% Transalpine Fin. Hldg. 1967	30.4	30.4.74-83	30.4.73	96	97	6.99%	7.85%
7½% Trans-Austria Gasline 1973	15.1	15.1.77-88	15.1.76	86	87	8.67%	9.72%
DOMESTIC ISSUES							
8% Investitionsanleihe 1973/II/B	3.7	3.7.76-81 (102)	—	101¾	102¼	7.86%	7.81%
8½% Investitionsanleihe 1974/II/B	22.10	22.10.75-82	—	100	100½	8.47%	8.36%
8½% Investitionsanleihe 1975/III/B	28.10	28.10.76-84 (103)	—	101⅝	102⅜	8.33%	8.14%
8½% Investitionsanleihe 1975/S/III U.IV	27.11	27.11.79-85	—	103¼	103¾	8.24%	7.85%
8½% Investitionsanleihe 1976/S	20.2	20.2.81-86 (104)	—	102⅞	103⅜	8.27%	8.26%
8% Investitionsanleihe 1976/S/II	2.7	2.7.83-88	—	98⅝	99⅛	8.08%	8.19%
8% Investitionsanleihe 1977/S/III/B	2.6	2.6.82-87	—	98⅝	99⅛	8.08%	8.17%
8% Investitionsanleihe 1977/II/B	15.9	15.9.82-86	—	98⅝	99⅛	8.08%	8.19%
8% Investitionsanleihe 1978/II/C	7.6	7.6.86	—	98⅝	99⅛	8.08%	8.19%
7¾% Investitionsanleihe 1978/5/C	3.10	3.10.86	—	97	97½	7.97%	8.28%
7¼% Investitionsanleihe 1979-87/II	13.10	13.10.87	—	95	96	7.59%	8.01%
8% Energieanleihe 1978/C	1.3	1.3.86	—	99	99¼	8.05%	8.13%
8½% Wiener Stadtanleihe 1975/B	29.4	29.4.76-83	—	100½	101	8.45%	8.29%
8% Wiener Stadtanleihe 1978/1/C	3.5	3.5.86	—	98⅝	99⅛	8.08%	8.19%
8% Europaeische Investitionsbank 1976	20.10	20.10.80-86 (100.5)	—	98½	99½	8.09%	8.27%
7¾% Europaeische Investitionsbank 1978	22.12	22.12.86 (100.5)	—	96¾	97½	7.98%	8.26%
8% Inter-Am. Entwicklungsbank 1976	17.12	17.12.81-86	—	98⅝	99⅛	8.10%	8.23%
8% Tag Finco Anleihe 1976	19.11	19.11.81-86 (100)	—	98½	99	8.11%	8.25%
8% Sparkassenanleihe 1977/S/B	26.7	26.7.80-83	—	99½	100	8.02%	8.07%
7¾% Sparkassenanleihe 1978/S/C	4.7	4.7.86	—	98	98½	7.89%	8.08%

(R) Purchase for redemption purposes by issuer possible. The bonds so purchased may be used for repayment according to plan. (...) Repayment at a premium. (G) Government Guarantee. (S) Local Government Guarantee. Yield calculations are based on the middle price.

Issued/ Est. O/S ($M)	Year of issue/ Issue price	Borrower/ Coupon Maturity		Price	Life/ Average life	Yield to maturity/ To avge. life	Current yield	Yield to next call/ Next call price	Call not (date)/ Next call date	Next S/F amount/ First S/F date
		US DOLLARS—ALGERIA								
25	1977 / 100.00	BQUE EXT D'ALGERIE 9.00 15/ 8/1982		94 1/8	2.96	11.45	9.56	101	30- / 1979	1.00 / 1978
		US DOLLARS—ARGENTINA								
50	1979 / 98.50	ARGENTINE REPUBLIC 9.375 1/ 8/1984		94 5/8	4.92	11.35	10.44			
		US DOLLARS—AUSTRALIA								
30 / 6.7	1963 / 97.50	AUSTRALIA,COMMONWEALTH 5.00 1/ 6/1983	S	94 1/8	3.58 / 1.84	[illegible] / 8.70	5.38	100 1/2	30 / 1979	.83 / 1965
25 / 1.6	1960 / 97.50	AUSTRALIA,COMMONWEALTH 5.25 15/ 4/1980	S	96 3/4	.62 / .38	11.06 / 15.00	5.50	100	30 / 1979	.67 / 1962
25 / 2.1	1960 / 98.00	AUSTRALIA,COMMONWEALTH 5.25 1/10/1980	S	96 1/4	1.08 / .59	9.15 / 12.35	5.53	100	30 / 1979	.67 / 1962
25 / 2.7	1961 / 97.00	AUSTRALIA,COMMONWEALTH 5.50 1/ 7/1981	S	95 7/8	1.83 / [illegible]	7.73 / 9.05	5.82	100	30 / 1979	[illegible] / 1963
30 / 4.2	1962 / 98.25	AUSTRALIA,COMMONWEALTH 5.50 15/ 1/1982	S	93 1/8	[illegible] / 1.38	7.71 / 9.16	5.87	100	30 / 1979	.81 / 1964
30 / 5.0	1962 / 97.50	AUSTRALIA,COMMONWEALTH 5.30 1/ 7/1982	S	94 7/8	2.83 / 1.59	7.68 / 9.24	[illegible]	100	30 / 1979	.83 / 1965
25 / 4.9	1962 / 99.00	AUSTRALIA,COMMONWEALTH 5.50 1/10/1982	S	94 1/8	3.08 / 1.59	7.82 / 9.80	5.93	101 1/4	30 / 1979	.69 / 1965
25 / 8.3	1965 / 98.50	AUSTRALIA,COMMONWEALTH 5.50 1/ 5/1985	S	93 1/8	5.67 / 3.17	7.11 / 8.16	5.99	101	30 / 1979	1.39 / 1968
25 / 9.7	1965 / 99.75	AUSTRALIA,COMMONWEALTH 5.75 1/11/1985	S	93 3/8	6.17 / 3.17	7.22 / 8.32	6.25	103	30 / 1979	1.39 / 1968
25 / 9.4	1967 / 97.50	AUSTRALIA,COMMONWEALTH 6.50 15/ 6/1982		96 1/4	2.79 / 2.29	8.04 / 8.36	6.75	100 1/2	30 / 1979	1.56 / 1970
100	1977 / 100.00	AUSTRALIA,COMMONWEALTH 7.50 1/ 9/1984		89 5/8	5.00	10.25	8.37	101 1/2	90C / 1981	

Issued amt. O/S (m)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Life / Average life	Yield to maturity / to aver. life	Current yield	Yield to next call / Next call price	Call amt. (m) / Next call date	Next S/F amount (m) / First S/F date
		US DOLLARS-JAPAN (CONTINUED)							
35	1975 100.00	INDUSTRIAL BANK-JAPAN 9.25 15/12/1980	97 1/4	1.29	11.38	9.51	100 1/2	30 1979	
35 28.0	1979 100.00	INDUSTRIAL BANK-JAPAN 9.25 15/4/1982	97 1/4	2.62 1.48	10.35 10.34	9.51	100 1/2	30 1979	1.20 DP1976
45	1977 100.00	ISHIKAWAJIMA-HARIMA 7.75 15/4/1982	92 5/8	2.62	11.10	8.37	100	30 1981	
35	1976 100.00	ISHIKAWAJIMA-HARIMA 9.00 1/3/1982	96 5/8	2.50	11.48	9.32	100	30 1980	
20	1978 99.50	IZU-YOKADO 9.125 31/8/1983 S	95 1/4	4.00	10.92	9.81			
15	1977 97.00	C ITOH & CO (HK) INTL 8.125 1/12/1984	91 1/8	5.25	10.38	8.92	101	30 1981	2.00 DP1978
35	1976 100.00	C ITOH 8.75 1/6/1981	96 3/8	1.92	10.93	9.08	100 1/2	30 1979	
20 1.2	1964 98.00	JAPAN DEVELOPMENT BANK 5.75 15/10/1979 S	98 1/4	.12	21.83	5.94	100	30 1979	3.17 1966
20 .7	1965 97.75	JAPAN DEVELOPMENT BANK 6.50 15/11/1980 S	96 1/2	1.21 .97	9.86 10.67	6.85	100 1/2	30 1979	.75 1967
100	1976 99.80	JAPAN DEVELOPMENT BANK 8.25 15/7/1981 S	96 1/2	1.87	10.61	8.73			
50	1975 99.29	JAPAN DEVELOPMENT BANK 8.50 15/3/1980 S	98 3/4	.54	12.39	8.84			
15 15.0	1977 99.00	JAPAN STEEL WORKS 7.75 15/5/1984	94 1/2	4.70 3.20	9.22 9.83	8.20	101	30 1981	3.75 1981
20	1977 100.00	KAJIMA OVERSEAS(CURACAO) 7.625 15/5/1982	91 3/4	2.70	11.29	8.31	100 1/2	30 1980	
15	1976 100.00	KOMATSU OVERSEAS(CURACAO) P 9.00 15/9/1981	95 3/4	2.04	11.74	9.45			
15	1977 99.75	KUMAGAI GUMI P 7.75 15/1/1982	91 7/8	2.39	11.82	8.44			
20	1976 100.00	LONG TERM CREDIT BANK 8.75 1/5/1981	96 5/8	1.67	11.01	9.06	100 1/2	30 1979	
25	1975 97.50	LONG TERM CREDIT BANK 9.00 15/6/1980	97 7/8	.79	11.86	9.20	100	30 1979	
20	1975 99.25	MARUBENI CORP 9.75 1/3/1982	98 1/8	2.50	10.38	9.94	100 1/2	30 1980	2.00 DP1976
10	1976 100.00	MEIDENSHA ELECTRIC MAN 9.25 15/4/1981	97 1/4	1.62	11.31	9.51			
12	1976 98.50	MITSUBISHI RAYON 9.00 1/4/1989	97 1/4	9.56	9.43	9.25	101 1/2	90 1982	.60 DP1975
25	1976 100.00	MITSUI MINING & SMELTING 9.25 26/2/1981	96 3/4	1.49	11.66	9.56			
30	1976 99.50	MITSUI ENG & SHIP 8.75 1/9/1983	93 1/2	4.00	10.94	9.36	101 1/2	45 1980	
25 25.0	1977 100.00	MITSUI PETROCHEMICAL IND 8.00 1/4/1984	91 3/8	4.38 3.14	10.36 11.30	8.75	101	30 1981	6.00 1981
20	1975 99.00	MITSUI SHIPBUILDING-ENG 9.25 15/7/1980	98 1/8	.87	11.56	9.43			
20	1977 99.25	NEC INTERNATIONAL 7.75 1/8/1984	89 7/8	4.92	10.48	8.62	101	450 1981	
15	1976 100.00	NICHIMEN CO P 9.125 1/8/1981	95 7/8	1.92	11.61	9.38			
15 6.0	1969 98.00	NIPPON ELECTRIC 7.50 15/5/1981 S	94 1/4	1.70 1.21	11.40 13.19	8.12	100 1/2	30 1979	1.00 1970
30	1977 99.00	NIPPON FUDOSAN BANK 7.75 15/6/1983	92 1/8	3.79	10.39	8.38	100 1/2	30 1980	
25	1976 100.00	NIPPON FUDOSAN BANK 8.00 15/11/1981	93 5/8	2.21	11.39	8.54	100 1/2	30 1979	
20	1976 100.00	NIPPON FUDOSAN BANK 9.25 1/2/1981	96 7/8	1.42	11.67	9.55	100 1/2	40Y 1980	
15	1974 97.00	NIPPON FUDOSAN BANK 10.25 15/1/1980	99 3/8	.38	11.68	10.31			7.50 DP1976
15	1977 99.50	NIPPON MINING 7.75 1/6/1982	93 3/4	2.75	10.45	8.27			
15	1975 99.25	NIPPON SEIKO 9.25 15/8/1980	97 3/4	.96	11.85	9.46			
25 3.3	1965 97.25	NIPPON TEL & TEL 5.75 15/4/1980 S	98	.62 .55	14.92 16.63	6.15	100	30 1979	.84 1966
100	1977 100.00	NIPPON TEL & TEL 7.625 1/3/1982 S	94 1/4	2.50	10.36	8.09			
150	1977 100.00	NIPPON TEL & TEL 7.75 15/6/1984 S	92 1/8	4.79	10.09	8.39	10.39 100	30 1983	
100	1976 99.50	NIPPON TEL & TEL 7.875 1/5/1981 S	95 7/8	1.67	10.91	8.38			
50	1977 99.75	NIPPON TEL & TEL 8.125 1/3/1987 S	91 1/8	7.50	10.07	9.12	10.34 100	30 1985	
20	1975 99.25	NIPPON STEEL 9.25 1/8/1980	97 7/8	.92	11.78	9.45			
30	1976 100.00	NISSHO-IWAI CO 9.25 1/2/1981	96 7/8	1.42	11.67	9.55			
20	1976 99.75	NYK INTL LUX 8.75 15/7/1981	93 7/8	1.87	11.28	9.15			
15	1976 100.00	OKI ELECTRIC INDUSTRY 8.25 15/11/1981	93 7/8	2.21	11.51	8.79			
20 20.0	1976 99.75	ORIENT LEASING (CAR)NV 8.25 15/12/1983	93 3/8	4.29 2.79	10.21 11.14	8.84			5.00 1980
20 20.0	1977 99.75	ORIENT LEASING (CAR)NV 8.25 1/12/1984	93	5.25 3.75	10.28 10.86	8.87	101	45 1980	5.00 1981
15 7.5	1976 100.00	ORIENT LEASING (CAR)NV P 9.50 15/2/1981 S	96 3/4	1.16 .96	12.33 13.64	10.06			2.50 1978
25 25.0	1979* 99.75	ORIENT LEASING (CAR) N.V 9.50 1/7/1986	94 3/4	6.83 5.33	10.60 10.85	10.03	101	45 1982	6.25 1983
20	1976 100.00	SHOWA SHIPPING 9.00 15/3/1981	96 1/2	1.70	11.30	9.30	100	30 1980	
25	1975 99.00	SUMITOMO CHEMICAL CO 9.25 15/4/1980	98 1/2	.62	11.68	9.39			
20	1977 99.25	SUMITOMO HEAVY IND 7.75 15/1/1984	95 3/4	4.38	8.94	8.09	101	30 1982	
15	1975 99.50	SUMITOMO HEAVY IND 9.50 1/12/1980	98 5/8	1.25	10.65	9.63			
20 3.9	1965 95.25	TOKYO, METROPOLIS OF 6.00 15/6/1980 S	95 3/4	.79 .65	12.72 13.44	6.26	100	30 1979	1.10 1966
20 20.0	1977 99.25	TORAY INDUSTRIES 7.75 15/10/1984 S	92 5/8	5.12 2.87	9.63 11.30	8.34	101	30 1981	3.00 1980
15	1975 100.00	TORAY INDUSTRIES P 8.75 1/12/1980	98	1.25	11.47	8.93			
25	1977 100.00	TOYO KANETSU 7.75 1/3/1982	93 3/8	2.50	10.87	8.30			
30	1977 99.25	TOYO MENKA KAISHA 7.75 1/4/1982	92 3/4	2.58	11.08	8.36			
20	1976 100.00	TOYO MENKA KAISHA 9.25 1/4/1981	97 1/4	1.58	11.15	9.51			2.00 DP1977
25 25.0	1977 99.25	Y.S. LINES (CAYMAN) 7.75 15/3/1985	90 3/4	5.53 3.34	10.38 11.31	8.55	101	30 1981	5.00 1981
		US DOLLARS-KOREA							
25	1976 99.75	KOREA DEVT BANK 9.50 15/12/1981	96 5/8	2.29	11.30	9.83			
25	1977 99.50	KOREA DEVT BANK 9.50 1/3/1982	97	2.50	10.80	9.79			
		US DOLLARS-LUXEMBOURG							
30 16.0	1972 100.00	S.F.E. LUXEMBOURG 7.50 15/10/1982	94 1/8	3.12 1.62	9.76 11.71	7.97	101	60 1979	4.00 DP1976
30	1976 100.00	S.F.E. LUXEMBOURG 9.00 15/2/1983	96 1/8	3.45	10.35	9.36			
		US DOLLARS-MEXICO							
35 2.2	1964 98.25	MEXICO,UTD STATES OF 6.25 1/11/1979 S	97 3/8	.17	26.26	6.32	100	30 1979	2.28 1966
28 3.6	1965 98.75	MEXICO,UTD STATES OF 6.50 1/11/1980 S	95	1.17 .76	11.48 14.11	6.96	100 1/4	30 1979	1.00 1967
15 2.3	1966 96.50	MEXICO,UTD STATES OF 6.875 1/7/1981 S	94	1.83 1.10	10.89 13.35	7.45	100	30 1979	.57 1967
25 5.6	1967 99.00	MEXICO,UTD STATES OF 7.00 15/4/1982 S	93 1/2	2.62 1.38	10.11 12.66	7.63	101	30 1979	.92 1969
10 1.9	1966 96.50	MEXICO,UTD STATES OF 7.25 15/11/1981 S	95	2.21 1.21	10.06 12.15	7.78	100	30 1979	.38 1967
40 35.2	1972 100.00	MEXICO,UTD STATES OF 8.50 15/3/1987 S	92	7.54 4.61	10.29 11.04	9.45	102	30 1982	2.40 1976
30 25.9	1973 100.00	MEXICO,UTD STATES OF 8.75 15/12/1981 S	91 1/8	12.29 8.39	10.27 10.65	9.83	102 1/2	90 1980	1.25 DP1974
60	1977 100.00	MEXICO,UTD STATES OF 9.00 1/5/1982 S	96 1/2	2.67	10.82	9.34			
30	1976 100.00	MEXICO,UTD STATES OF L 9.50 1/3/1991 S	96 1/2	11.50	9.96	9.88	10.36 102 1/2	30 1986	2.50 DP1977
75 75.0	1975 100.00	MEXICO,UTD STATES OF L 10.00 15/2/1990 S	98 1/8	10.46 5.96	10.39 10.46	10.34	10.38 102 3/4	30 1985	7.50 1981
50	1977 99.75	BANCO NACIONAL DE OBRAS 9.25 1/11/1982 S	95 7/8	3.17	11.20	9.66			
20 13.4	1972 97.50	C.F.E. — MEXICO 8.00 1/2/1987	91 1/8	7.42 3.97	9.72 10.86	8.78	103	120C 1980	1.65 1976
25	1977 99.50	NAFINSA — [illegible] 9.00 1/11/1982	94	3.17	11.33	9.57			
20 6.8	1967 96.75	NACIONAL FINANCIERA 7.25 1/9/1982 S	97 1/8	3.00 1.61	8.33 9.43	7.40	101	30 1979	.90 1971
30	1976 100.00	NACIONAL FINANCIERA 10.00 1/7/1981	97 3/4	1.83	11.36	10.23			
20 13.8	1972 100.00	PETROLEOS MEXICANOS 8.50 1/9/1987	91 3/8	8.00 4.62	10.12 11.00	9.30	102	45C 1982	1.15 DP1974
75	1977 100.00	PETROLEOS MEXICANOS 9.00 1/7/1982	94 7/8	2.83	11.15	9.49			
20 20.0	1975 98.00	PETROLEOS MEXICANOS 10.25 15/4/1982	98 1/8	2.62 1.72	11.08 11.45	10.44	101	30 1979	6.00 1980
50	1977 100.00	TELEFONOS DE MEXICO SA 9.25 10/8/1984	93 3/4	4.94	10.85	9.87	102	30 1980	2.38 DP1976
		US DOLLARS-NETHERLANDS							
40 38.0	1977 100.00	AMEV 8.00 1/8/1987	91 1/2	7.92 4.42	9.57 10.52	8.74	101	30C 1982	4.00 DP1978
40 39.0	1977 100.00	DUTCH STATE MINES 8.25 15/6/1987	89 1/4	7.79 7.07	10.31 10.47	9.24	100 3/8	30 1982	1.00 DP1978
30 30.0	1976 100.00	DUTCH STATE MINES 8.75 1/8/1986	91 3/4	6.92 6.82	10.20 10.50	9.54	101	30 1982	3.75 DP1981
40	1975 100.00	DUTCH STATE MINES 9.25 15/9/1980	97 3/4	1.04	11.65	9.46			
20 20.0	1977 100.50	GIST-BROCADES INTL 8.25 15/7/1985	92 1/8	5.87 3.87	10.08 10.83	8.96	101 1/2	60 1982	4.00 1981
30	1977 100.00	NATIONALE NEDERLANDEN D 8.00 20/4/1984	91 3/8	4.64	10.41	8.75			
30 30.0	1976 99.00	NAT NEDER FIN CORP WW 8.00 15/6/1988	132	8.79 6.29	3.67 2.48	6.06			5.00 1983
30 30.0	1976 99.00	NAT NEDER FIN CORP XW 8.00 15/6/1988	89	8.79 6.29	9.92 10.46	8.99			5.00 1983
25 25.0	1976 100.00	PAKHOED HOLDING N.V. 9.00 15/2/1982	94 7/8	2.46 2.06	11.45 11.96	9.49			10.00 1981
100	1979* 99.50	UNILEVER NV 9.25 15/7/1987	95 1/8	7.87	10.17	9.72	100 3/4	60 1982	
		US DOLLARS-NEW ZEALAND							
20 6.7	1965 97.50	NEW ZEALAND,GOVT OF 5.75 1/7/1985 S	92 1/4	5.83 3.36	7.35 8.46	6.23	101 1/4	30 1979	1.11 1966
15 [illegible]	1966 96.00	NEW ZEALAND,GOVT OF 6.50 15/3/1986 S	93 3/4	6.54 3.57	7.80 8.75	7.03	101 1/2	30 1979	.83 1969
200	1977 99.46	NEW ZEALAND,GOVT OF 7.50 15/9/1984 S	90 5/8	5.04	10.15	8.45	10.67 100	30 1983	
100	1976 100.25	NEW ZEALAND,GOVT OF 8.25 1/12/1986	91 1/8	7.25	10.01	9.05	101	30 1981	3.00 DP1977
30	1976 100.00	NEW ZEALAND,GOVT OF 8.50 15/6/1983	95 1/8	3.79	10.09	8.94			
60	1975 99.50	NEW ZEALAND,GOVT OF 9.00 15/8/1980	97 5/8	.96	11.75	9.22			
30	1975 99.50	NEW ZEALAND,GOVT OF 9.25 15/11/1981	97 1/2	2.21	10.54	9.49			
40 32.8	1975 99.50	NEW ZEALAND,GOVT OF 9.25 15/8/1982	97 5/8	2.96 2.01	10.21 10.28	[illegible]	100	30 1980	1.60 DP1976
25 22.5	1977 100.00	NEW ZEALAND DEV FIN CORP 7.75 15/5/1984	91 1/8	4.70 3.63	10.20 10.99	8.50	101	30 1981	2.50 DP1978
20 20.0	1978 99.25	NEW ZEALAND DEV FIN CORP 8.125 1/6/1983	92 7/8	3.75 3.25	10.49 10.84	8.75	11.24 100	30 1982	10.00 1982
20 20.0	1978 99.00	NEW ZEALAND DEV FIN CORP 8.375 1/6/1985	92	5.75 5.05	10.27 10.49	9.10	101	30 1982	1.50 DP1982
25	1978 100.00	N.Z. FOREST PRODUCTS 9.00 15/3/1986	93 1/2	6.54	10.39	9.63	103	60 1983	1.50 DP1983
		US DOLLARS-NEW ZEALAND (CONTINUED)							
50	1976 100.00	OFFSHORE MINING CO 8.25 15/12/1983	91 3/8	6.29	10.15	9.03	101	30 1981	
		US DOLLARS-NORWAY							
25 12.4	1964 98.25	NORWAY,KINGDOM OF 5.50 15/5/1984	91 1/2	4.70 2.61	7.71 9.05	6.01	100	90C 1980	2.22 1973
30 14.9	1965 98.00	NORWAY,KINGDOM OF 5.50 1/4/1985 S	91 5/8	5.58 3.24	7.49 8.70	6.09	100 1/2	90 1979	2.17 1971
150	1977 100.25	NORWAY,KINGDOM OF 7.25 15/3/1982	92 7/8	2.70	10.37	7.81			
150	1977 100.00	NORWAY,KINGDOM OF 7.375 1/2/1982 S	93 3/4	2.42	10.63	8.02			
100	1977 99.85	NORWAY,KINGDOM OF 7.50 15/6/1982 S	93 3/8	2.79	10.55	8.19			
45	1976 100.00	NORWAY,KINGDOM OF P 7.75 1/11/1982	94 3/8	3.17	10.77	8.21			
250	1978 99.50	NORWAY,KINGDOM OF 7.875 1/5/1983	92 7/8	3.67	10.28	8.48			
125	1978 99.63	NORWAY,KINGDOM OF 8.125 15/1/1983 S	94 1/2	3.38	10.26	8.78			
100	1976 100.00	NORWAY,KINGDOM OF 8.25 15/3/1981 S	96 5/8	1.54	10.87	8.72			
100	1976 100.00	NORWAY,KINGDOM OF 8.25 15/7/1981 S	96 1/4	1.87	10.77	8.76			
125	1978 100.00	NORWAY,KINGDOM OF 8.25 1/4/1983	94	3.58	10.30	8.78			
100	1976 100.50	NORWAY,KINGDOM OF 8.50 15/2/1981	97	1.46	10.75	8.76			
150	1978 99.60	NORWAY,KINGDOM OF 8.75 1/7/1983 S	96	3.83	10.28	9.32			
100	1975 100.00	NORWAY,KINGDOM OF 8.85 15/11/1980 S	97 1/2	1.21	11.40	9.28			
100	1975 99.75	NORWAY,KINGDOM OF 8.875 15/7/1980 S	98 1/8	.87	11.47	9.25			
50	1975 100.00	NORWAY,KINGDOM OF 9.00 1/9/1980	97 3/4	1.00	11.51	9.21			
150	1979* 100.25	NORWAY,KINGDOM OF 9.50 1/5/1986	97 5/8	6.67	10.14	9.73			
150	1979* 99.50	NORWAY,KINGDOM OF 9.75 15/1/1986 S	99 1/4	6.38	10.21	10.06			
30	1975 100.00	ARDAL OG SUNNDAL 9.50 1/11/1980	98	1.17	11.36	9.69			
15 15.0	1977 100.00	ARDAL OG SUNNDAL P 8.50 15/5/1992	89	13.04 8.54	10.05 10.52	9.55	101 1/2	1985	7.50 1983
10 5.0	1964 99.00	BERGEN,CITY OF 5.50 15/10/1984	90 1/2	5.12 2.78	7.82 9.56	6.08	100	90C 1980	.72 1970
15 8.0	1972 98.00	BERGEN,CITY OF 8.00 1/4/1987	95 7/8	7.58 4.88	8.75 9.25	8.34	101	30C 1980	1.00 1973
15 8.0	1971 100.00	[illegible] 8.75 1/2/1986	93 1/2	6.42 3.80	9.76 10.23	9.36	101	30 1980	1.00 1973
50 50.0	1979* 100.00	EXPORTFINANS 9.00 15/9/1986	94 1/8	7.04 5.12	10.21 10.54	9.56	101 1/2	30 1982	2.00 1979
7 2.3	1964 [illegible]	KRAFTLAGET OPPLANDSKRAFT 5.75 15/3/1984	90	4.54 2.54	8.46 10.40	6.39	100 1/2	45C 1980	.47 1970
8 3.7	1965 97.50	KRAFTLAGET OPPLANDSKRAFT 6.25 1/12/1985	90	6.25 3.25	8.36 9.90	6.94	101	45C 1979	.53 1971
15 6.0	1967 [illegible]	KRAFTLAGET OPPLANDSKRAFT 6.50 1/6/1982 S	94 5/8	2.75 1.50	8.92 10.73	6.87	100 1/2	30 1979	1.00 1987
10 4.2	1964 99.50	NORGES KOMMUNALBANK 5.75 15/1/1984	93 3/4	4.38 2.48	7.46 8.84	6.13	100	180C 1981	.74 1969
20 17.5	1972 [illegible]	NORGES KOMMUNALBANK 7.50 1/2/1987	88 7/8	7.42 3.88	9.65 10.42	8.44	102	30 1980	.50 DP1975
30 17.5	1972 99.00	NORGES KOMMUNALBANK 7.50 15/12/1990	85 1/2	11.29 7.48	9.65 10.32	8.77	101 3/4	30 1980	.50 DP1973
60 60.0	1976 99.50	NORGES KOMMUNALBANK 8.50 16/12/1991	90	12.29 6.79	9.89 10.69	9.44	11.06 102 1/2	90C 1985	5.00 1980
75 75.0	1977 100.00	NORGES KOMMUNALBANK 8.50 16/5/1992	89 3/4	12.71 7.22	9.94 10.60	9.47	10.99 102 1/2	90C 1986	6.25 1981
75 75.0	1978 99.50	NORGES KOMMUNALBANK 9.125 1/4/1998 S	93 1/2	18.58 11.58	10.14 10.34	10.00	10.34 102 1/2	30 1990	5.00 DP1984
50 50.0	1977 99.75	NORPIPE 8.50 15/3/1989	88 3/4	9.54 7.14	10.21 10.61	9.47	101 1/2	45 1982	2.00 DP1980
30 44.0	1976 99.50	NORPIPE 9.25 1/4/1986	95 1/4	6.58 4.50	10.25 10.61	9.71	101 1/4	45 1981	2.00 DP1978
10 6.8	1967 97.50	NORSK HYDRO-ELEKTRISK 6.875 15/10/1982 S	90 3/4	3.12 1.67	8.23 9.21	7.23	101	90Y 1980	1.65 1971
30	1977 99.50	NORSK HYDRO 7.875 1/12/1982	92 5/8	3.25	10.65	8.50			
50 50.0	1977 99.50	NORSK HYDRO 8.50 1/3/1992	88 7/8	12.50 8.84	10.09 10.40	9.56	101	45 1982	2.00 DP1982
60	1976 99.50	NORSK HYDRO 9.00 15/9/1991	93	12.04	10.02	9.68	102	45 1981	3.50 DP1976
30 30.0	1979* 99.00	NORSK HYDRO 9.25 15/1/1994	93	14.38 10.38	10.18 10.37	9.95	101 1/4	45 1982	2.00 DP1983
50 50.0	1976 100.50	NORSK HYDRO 9.50 1/2/1986	97 3/8	6.42 4.78	10.05 10.21	9.76	102	45 1981	2.00 DP1980
40 38.0	1975 100.00	NORSK HYDRO 9.75 1/6/1985	98 7/8	5.75 4.36	10.00 10.09	9.86	102	45 1980	2.00 DP1979
6 1.6	1967 96.50	NORTHERN PAPER MILLS 6.75 1/9/1982 S	96 3/4	3.00 1.43	8.15 9.45	7.10	101	90Y 1980	.42 1968
22	1978 100.00	NORWEGIAN INDUSTRY BK P 8.75 30/6/1985	93 1/8	5.83	10.37	9.40	100 3/4	30C 1982	
15 5.6	1964 98.81	OSLO,CITY OF 5.50 15/9/1984 S	92 3/8	5.04 2.56	7.47 9.09	6.04	100 3/8	30 1979	.94 1969
15 5.7	1965 98.75	OSLO,CITY OF 5.75 1/6/1985 S	92 1/2	5.75 3.27	7.31 8.35	6.31	101	30 1979	.93 1979
15 10.5	1971 98.50	OSLO,CITY OF 8.25 1/3/1988	97 5/8	8.50 3.80	8.73 9.00	8.45	102	30 1979	1.15 DP1975
30 30.0	1977 99.00	OSLO,CITY OF 8.75 1/11/1997 S	90 7/8	18.17 11.24	10.06 10.36	9.06	10.62 102 1/4	30 1989	3.30 DP1983
20 11.6	1970 100.00	OSLO,CITY OF 9.00 1/3/1985	98 1/2	5.67 3.39	9.33 9.53	9.14	102 1/2	30 1979	1.60 DP1972
40 32.8	1976 100.50	OSLO,CITY OF 9.00 1/3/1988	96 1/2	8.50 4.35	9.60 9.97	9.33	101	30 1982	3.60 DP1978
15 6.0	1964 98.25	ROLDAL-SULDAL 5.75 10/11/1984 S	91 3/4	5.19 2.69	7.85 9.49	6.37	100	90Y 1980	1.00 1970
15 7.0	1965 98.50	ROLDAL-SULDAL 6.25 26/10/1985 S	91 7/8	6.15 3.15	8.10 9.40	6.92	100	90Y 1980	1.00 1971
		US DOLLARS-NORWAY (CONTINUED)							
25 12.5	1965 97.75	SIRA-KVINA 5.75 20/1/1985 S	89 5/8	5.39 3.05	8.33 10.00	6.52	100	90Y 1980	1.61 1971
12 5.3	1975 99.50	SIRA-KVINA 9.00 15/2/1985 S	98 1/2	5.46 3.06	9.57 9.81	9.35	102	30Y 1980	.80 1971
150 100.0	1979* 100.00	STATOIL 9.625 1/8/1990	96 3/8	9.92 8.32	10.22 10.30	9.99	10.85 101 1/2	75C 1984	10.00 1985
10 4.3	1964 99.50	TYSSEFALDENE 6.00 25/3/1984	92 3/4	4.56 2.68	7.94 9.15	6.47	100 1/2	90C 1980	.77 1970
		US DOLLARS-PANAMA							
25	1977 100.00	PANAMA,REPUBLIC OF L 9.25 1/11/1982 S	93 1/2	3.17	12.10	10.16			1.00 PF1978
30	1978 100.00	PANAMA,REPUBLIC OF L 9.50 15/3/1987	93 3/4	7.54	10.71	10.13	101 1/2	60 1983	1.00 PF1979
		US DOLLARS-PAPUA N.G.							
25 22.6	1977 100.00	BOUGAINVILLE COPPER FIN 8.75 1/5/1984	91 7/8	4.67 4.13	11.06 11.31	9.52	100 1/2	30 1981	1.20 DP1978
		US DOLLARS-PHILIPPINES							
15 .6	1965 98.50	PHILIPPINES,REPUBLIC OF 6.50 15/1/1980 S	95 1/4	.36	21.33	6.96	100	30 1979	.60 1965
		US DOLLARS-PORTUGAL							
20 6.7	1965 97.50	PORTUGAL,REPUBLIC OF 5.75 1/6/1984 S	77 1/2	4.75 2.75	12.48 16.85	7.56	100	90S 1979	1.33 1970
20 3.0	1965 97.50	PORTUGAL,REPUBLIC OF 5.75 1/2/1983 S	85	5.42 2.92	9.56 12.36	6.88	100 3/4	30 1979	1.33 1971
		US DOLLARS-SINGAPORE							
20 15.8	1972 100.00	SINGAPORE,GOVERNMENT OF 7.75 1/11/1987	95 1/8	8.17 4.44	8.60 9.14	8.15	102	60 1980	1.40 1976
15	1977 99.50	KEPPEL SHIPYARD 8.625 15/10/1984	93 3/8	[illegible]	10.36	9.24	101	30 1981	2.00 PF1978
25	1976 99.63	KEPPEL SHIPYARD 9.00 15/8/1983	96 1/4	3.96	10.19	9.35	101	30 1980	1.00 PF1977
12 9.0	1975 100.00	KEPPEL SHIPYARD 9.50 1/7/1982	96 7/8	2.83 1.83	10.81 11.44	9.81	101	30 [illegible]	3.00 1979
12 10.5	1976 99.50	DBS SINGAPORE D 8.50 15/11/1983	97 3/8	4.21 2.78	9.26 9.62	8.73			1.50 1978
10 6.4	1971 100.00	SINGAPORE DEVT BANK 8.50 15/1/1982	96 3/4	2.38 1.81	10.06 10.35	8.78	101	30 1979	1.20 1976
		US DOLLARS-SOUTH AFRICA							
25 19.0	1972 98.00	SOUTH AFRICA,REPUBLIC OF 7.75 15/12/1987	79 1/8	8.29 6.40	11.82 12.69	9.79	102	60 1980	1.00 1973
25 20.0	1972 99.50	SOUTH AFRICA,REPUBLIC OF 8.00 1/2/1987	85 1/8	7.42 4.32	11.02 12.64	9.40	102	70 1980	2.00 1975
25	1976 98.00	SOUTH AFRICA,REPUBLIC OF 9.75 15/2/1981	96 3/8	1.46	12.51	10.12			3.00 DP1977
50 45.5	1972 97.00	ANGLO-AMERICAN CORP 7.50 1/3/1987	84 1/2	7.50 5.04	10.58 11.74	8.88	102 1/2	90 1979	1.50 1977
25 13.6	1967 99.50	DE BEERS CONS MINES 6.50 1/6/1982	93 7/8	2.75 1.75	9.09 10.47	6.92	100 1/2	60S 1980	5.20 1973
20 12.5	1971 98.00	ESCOM 8.50 1/12/1986	82 7/8	7.25 [illegible]	9.91 [illegible]	9.15	101 3/4	120S 1980	1.50 1976
15 12.5	1974 98.50	ESCOM 9.25 1/3/1989	93 1/8	9.50 5.66	10.40 10.92	9.93	11.53 101 1/2	30 1984	.50 DP1975
25	1975 100.00	ESCOM 10.00 20/6/1980	98	.80	12.65	10.20			
30 30.0	1975 99.50	ESCOM L 10.25 15/10/1985	99 1/8	4.12 2.62	10.51 10.67	10.34	10.70 100	30 1981	4.50 DP1979
25	1975 98.50	ISCOR 10.00 5/9/1980	97 7/8	1.01	12.36	10.22			
		US DOLLARS-SPAIN							
30 15.0	1967 98.50	AUTOPISTAS 7.00 1/7/1987	92	7.83 4.33	8.43 9.33	7.61	103	60 1979	1.48 1973
20 16.0	1972 100.00	I.N.I. (SPAIN) 8.00 1/10/1987	95 5/8	8.08 4.52	8.77 9.23	8.37	101 1/2	30 1980	1.00 DP1975
15 14.0	1972 99.50	PETRONOR 7.75 4/1/1988	86 1/2	8.35 4.92	10.23 11.46	8.96	101 1/2	90Y 1982	1.00 1975
35 11.8	1971 99.50	PETRONOR 8.50 30/12/1986	91 1/8	7.33 4.31	10.27 11.17	9.33	102	105C 1980	.60 1972
50	1976 99.00	RENFE 9.25 1/12/1983	97 1/8	4.25	10.09	9.52	101	30 1980	2.50 DP1977
		US DOLLARS-SWEDEN							
100	1977 99.00	SWEDEN,KINGDOM OF 7.50 15/6/1982	92 3/4	2.79	10.61	8.09			
100 87.5	1977 98.75	SWEDEN,KINGDOM OF 8.25 15/4/1987	90 3/8	7.79 6.57	10.03 10.27	9.10	101 1/2	45 1983	4.00 1978
100	1977 99.25	SWEDEN,KINGDOM OF 8.50 15/11/1987 S	92 1/8	8.21	10.17	9.44	10.31 100	30 1986	
100 100.0	1977 99.75	SWEDEN,KINGDOM OF 9.00 15/11/1997 S	92 3/8	18.21 11.17	10.15 10.41	9.96	10.88 103.22	30 1989	6.70 DP1983
125 115.0	1978 99.00	SWEDEN,KINGDOM OF 9.25 1/6/1998 S	94	18.75 11.69	10.21 10.39	10.08	10.61 103.04	30 1990	8.10 DP1984
200	1979* 99.38	SWEDEN,KINGDOM OF 9.50 15/4/1986 S	97 7/8	6.62	10.19	9.94	10.33 100	30 1984	
100	1979* 99.25	SWEDEN,KINGDOM OF 9.75 15/6/1984	98 1/8	4.86	10.25	9.94	10.63 100 3/8	30 1982	
100	1979* 99.25	SWEDEN,KINGDOM OF 9.75 1/5/1989	97	9.67	10.24	10.05	11.22 102	30 1983	8.00 DP1980
25 24.0	1978 100.00	AGA AKTIEBOLAG 9.25 15/6/1988	92 3/8	8.79 6.08	10.61 11.03	10.02	101 1/2	30 1981	1.00 DP1979
15 1.7	1965 97.00	ASEA 6.00 15/6/1980 S	95 1/2	.79	12.49	6.38	12.49 100	90Y 1980	1.69 1969
30 22.0	1971 98.00	ASEA 8.50 1/3/1986	92 5/8	6.50 4.13	10.08 10.79	9.18	100 3/4	45C 1980	2.00 1974
20 9.7	1970 98.75	ATLAS COPCO 8.50 1/8/1985	97	5.92 3.75	10.19 10.51	8.79	100 1/4	30 1980	1.00 DP1971
15 3.0	1965 99.25	ERIKSBERGS 6.00 1/11/1980	95	1.17 .67	10.76 14.43	6.32	100	30 1979	1.50 1971
15 4.0	1967 99.75	ERIKSBERGS 6.75 15/3/1982	95	2.54 1.54	9.01 10.37	7.11	100	30 1979	1.35 DP1969
20 20.0	1977 99.50	ESSELTE 8.50 15/2/1984	93	4.46 2.76	10.52 11.59	9.14	101 1/2	45 1981	3.00 1980

US DOLLARS-SWEDEN (CONTINUED)

Issued/Est. O/S ($M)	Year of Issue/Issue Price	Borrower/Coupon Maturity	Price	Life/Average Life	Yield to Maturity/To Average Life	Current Yield	Yield to Next Call/Next Call Price	Call Ann.(Days)/Next Call Date	First S.F. Amount ($M)/First S.F. Date
15 3.0	1965 99.00	GOTAVERKEN 6.00 1/12/1980	95 1/2	1.73 .75	9.98 12.65	6.28	100	30 1979	2.50 1971
40	1977 100.00	GOTAVERKEN 7.625 15/ 9/1982	92 3/4	3.06	10.53	8.22			
40	1976 100.50	GOTAVERKEN 8.00 15/ 3/1982	94 7/8	2.35	10.51	8.43			
40 38.0	1977 99.50	GOTAVERKEN 8.125 15/ 9/1987	89 1/2	8.04 5.99	10.09 10.58	9.08	101	45 1982	2.80 1978
20	1978 99.00	GOTAVERKEN P 8.25 1/10/1983	92 3/4	4.08	10.31	8.89	101 1/2	30 1980	
50 30.0	1976 100.00	GOTAVERKEN 8.25 15/ 1/1985	92 5/8	5.38 3.39	10.07 10.94	8.91	101	60 1982	6.00 1981
30	1977 99.50	GOTHENBURG, CITY OF 8.75 15/12/1997	91 1/2	8.29	10.31	[illegible]	11.04 100 3/4	30C 1984	1.88 PP1978
15 8.1	1967 97.30	GRANGES 6.75 16/10/1987 S	85	8.13 4.13	9.65 11.73	8.10	102	30T 1979	.90 1970
15 10.0	1971 100.00	GRANGES 8.50 15/ 2/1989	90 3/4	9.46 4.96	10.04 11.01	9.37	104	30C 1981	1.00 1973
30	1975 100.00	GRANGES 9.75 15/12/1980	98 5/8	1.29	10.86	9.89	101	45 1979	
20 15.0	1975 98.00	GRANGES 9.75 1/ 5/1985	97 5/8	5.67 4.42	10.30 10.43	9.99	102	45C 1980	1.25 DP1976
50 30.0	1976 100.00	KOCKUMS 8.00 15/11/1983	93 3/8	4.21 2.21	9.94 11.53	8.57	101 1/2	45 1980	10.00 1979
20 8.4	1966 97.25	L.M. ERICSSON 6.50 15/ 3/1986 S	94 3/4	6.54 3.54	7.67 8.41	6.98	101 1/2	90T 1980	1.20 1969
35	1976 100.00	L.M. ERICSSON 8.50 15/ 9/1983	93 1/2	4.04	10.55	9.09	101	45C 1980	
30 30.0	1977 100.50	L.M. ERICSSON 8.50 15/ 4/1989	91 1/4	9.62 6.62	9.94 10.37	9.32	101 1/2	45C 1982	2.00 DP1980
30 19.2	1970 99.50	L.M. ERICSSON 9.25 1/12/1985	98 1/4	6.25 3.79	9.62 9.82	9.41	100 1/4	45C 1980	2.25 1971
35 31.5	1976 100.00	L.M. ERICSSON 9.25 15/ 9/1991	93 5/8	12.04 10.19	10.19 10.29	9.88	11.21 101 1/2	45C 1984	1.10 DP1977
35	1976 100.00	MO OCH DOMSJO 9.00 15/10/1986	88 7/8	7.12	11.15	10.13	101 1/2	60 1981	1.75 PP1977
25	1976 100.00	MO OCH DOMSJO 9.50 15/ 3/1983	92 5/8	3.46	12.19	10.26	100 1/2	60 1980	1.00 PP1977
30	1977 99.25	SAAB-SCANIA 8.50 15/ 3/1989	88 3/4	9.54	10.40	9.58	101 1/2	30C 1983	2.50 PP1978
15 11.3	1971 98.50	SANDVIK 9.00 1/ 8/1986 S	95 1/4	6.92 4.32	10.21 10.61	9.67	102	45T 1981	.75 1973
30 25.5	1976 100.50	SANDVIK 9.50 15/ 4/1986	96 3/4	6.62 4.80	10.18 10.38	9.82	102	45 1981	1.50 1977
30 26.0	1972 100.25	SCANRAFF 7.50 15/12/1990	87 1/8	11.29 7.35	9.38 10.05	8.61	100 3/8	30 1980	1.00 PP1975
30 27.5	1973 99.75	SCANRAFF 8.625 15/10/1988	92	9.12 6.72	9.99 10.34	9.38	100 3/8	30 1979	1.00 DP1975
40 37.0	1976 100.00	SKANDINAVISKA ENSKILDA 9.00 1/12/1991	92 5/8	12.25 7.67	10.06 10.45	9.72	102	30 1982	1.30 1977
30 27.0	1977 100.50	SKF 8.00 15/ 1/1987	88 7/8	7.38 5.34	10.20 10.83	9.00	101	30 1982	1.88 DP1978
20 20.0	1976 99.50	SODRA SKOGSAGARNA 9.50 15/12/1986	88 1/4	7.29 4.89	11.98 12.87	10.76	101 1/2	45 1981	3.00 1981
30 30.0	1976 99.50	SPARBANKERNAS BANK 8.75 1/ 9/1983	96	4.00 2.10	10.01 11.00	9.11	11.38 101	90C 1981	3.50 1979
30 27.5	1977 100.00	SPARBANKERNAS BANK 8.75 15/ 1/1988	93 1/8	9.38 4.45	9.98 10.75	9.40	11.34 101	90C 1983	3.00 1979
40	1977 100.50	STATSFORETAG 7.75 1/ 2/1982	94 1/8	2.42	10.58	8.23			
30	1975 99.00	STATSFORETAG 9.25 15/ 8/1980	98 1/4	1.04	11.11	9.41	100	1979	
50 50.0	1977 100.00	STOCKHOLM, CITY OF 8.875 15/ 2/1992 S	93 3/8	12.46 7.96	10.05 10.36	9.73	10.43 102.05	30 1987	5.00 DP1983
60 60.0	1979* 99.00	STOCKHOLM, CITY OF 9.75 15/ 3/1994 S	98 1/4	14.34 10.04	10.23 10.28	10.17	10.46 103.37	30 1987	6.00 DP1985
30 27.5	1976 99.00	SVENSKA HANDELSBANKEN 9.25 1/ 3/1986	96 1/4	6.50 4.64	10.04 [illegible]	9.61	101	90C 1981	1.00 1977
25 14.0	1976 [illegible]	SWEDISH EXPORT CREDIT P 7.875 15/10/1983 S	95 1/2	4.12 2.10	9.43 10.57	8.42	101	30C 1980	[illegible] 1977
25 21.0	1975 99.00	SWEDISH EXPORT CREDIT 9.00 15/ 4/1982	98 1/4	2.62 1.67	9.74 10.13	9.16	100 1/2	30 1979	3.50 1976
20 20.0	1979* 100.00	SWEDISH EXPORT CREDIT P 9.50 15/ 4/1986 S	98	6.62 3.87	10.16 10.39	9.93	11.19 101 1/2	30C 1982	1.43 1980
15 12.0	1973 100.00	SWEDISH INVESTMENT BANK 7.50 15/ 1/1988	88	8.38 5.08	9.44 [illegible]	8.52	101	45C 1981	.50 1974
15 12.0	1972 99.00	SWEDISH INVESTMENT BANK 7.75 1/11/1987	93 5/8	8.17 4.88	8.87 9.44	8.28	101	45C 1980	.50 1973
15 15.0	1976 100.00	SYDKRAFT 9.25 15/ 9/1986	93 3/4	7.04 4.84	10.55 10.99	9.87	101 1/2	60 1981	2.00 1981
30 20.5	1976 100.00	UDDEVALLAVARVET P 7.75 1/12/1983 S	94 1/4	4.15 2.36	9.64 10.87	8.39	101	30C 1980	2.30 1977
23 23.0	1977 100.00	UDDEVALLAVARVET P 7.75 15/ 9/1984	91 3/8	5.04 3.95	10.01 10.53	8.48	101	30 1981	2.50 1980
25 22.6	1972 100.50	VOLVO 8.00 1/ 9/1987	88 1/4	8.00 5.16	[illegible] 11.12	9.07	101 1/2	60 1980	1.20 DP1977
35	1977 100.00	VOLVO 8.00 1/ 3/1987	87 1/2	7.50	10.47	9.14	101 1/2	60 1982	1.75 PP1978
25	1975 99.50	VOLVO 9.50 1/ 3/1985	97 1/2	5.50	10.09	9.74	101 1/2	60 1980	1.25 PP1976

US DOLLARS-SWITZERLAND

Issued/Est. O/S ($M)	Year of Issue/Issue Price	Borrower/Coupon Maturity	Price	Life/Average Life	Yield to Maturity/To Average Life	Current Yield	Yield to Next Call/Next Call Price	Call Ann.(Days)/Next Call Date	First S.F. Amount ($M)/First S.F. Date
35 11.7	1971 100.00	ALUSUISSE INT XW 7.00 1/ 7/1981	96 3/8	1.83 1.33	9.21 10.06	7.26	100 1/2	1979	5.83 1976
75	1977 100.00	FIAT FIN CORP 8.00 1/ 8/1982	92	2.92	11.36	8.70	100 1/2	30C 1981	
35 28.0	1972 96.50	SWISS ALUMINIUM AUST LTD 6.00 1/ 7/1987	94 3/4	7.83 4.35	8.95 9.54	8.44	102	30 1981	3.50 1978

US DOLLARS-VENEZUELA

Issued/Est. O/S ($M)	Year of Issue/Issue Price	Borrower/Coupon Maturity	Price	Life/Average Life	Yield to Maturity/To Average Life	Current Yield	Yield to Next Call/Next Call Price	Call Ann.(Days)/Next Call Date	First S.F. Amount ($M)/First S.F. Date
[illegible]	[illegible]	VENEZUELA, REPUBLIC OF [illegible] 15/ 4/1980 S	96	.62 .46	13.35 16.44	6.82	100	30 1979	.50 DP1966
[illegible]	[illegible]	VENEZUELA, REPUBLIC OF [illegible] 15/ 6/1982 S	93 5/8	2.79	10.84	8.39			
150	[illegible]	[illegible] REPUBLIC OF [illegible] 15/ 2/1984	90 3/8	4.46	10.80	8.85	101	30 1981	

US DOLLARS-UNITED STATES (CONTINUED)

[illegible]

US DOLLARS-VENEZUELA (CONTINUED)

[illegible]

US DOLLARS-UNITED KINGDOM

[illegible]

US DOLLARS-UNITED KINGDOM (CONTINUED)

[illegible]

US DOLLARS-UNITED STATES

[illegible]

US DOLLARS-UNITED STATES (CONTINUED)

[illegible]

US DOLLARS-MULTINATIONAL

[illegible]

US DOLLARS-SUPRANATIONAL

[illegible]

US DOLLARS-SUPRANATIONAL (CONTINUED)

[illegible]

هكذا في الأصل

Issued/ Est. O/S (mln)	Year of issue/ Issue price	Borrower/ Coupon Maturity	Price	Life/ Average life	Yield to maturity/ Yld. to avge. life	Current yield	Yield to next call/ Next call price	Call not. (days)/ Next call date	Next S/F amount (mln)/ First S/F date
		US DOLLARS—SUPRANATIONAL (CONTINUED)							
100	1979* 98.06	EUROPEAN INVESTMENT BANK 9.70 15/ 7/1989	98	9.87	10.02	9.90	10.26 100 3/4	90C 1985	8.00 PF1980
75	1979* 100.00	EUROPEAN INVESTMENT BANK 9.75 15/ 5/1989	96 3/8	9.70	10.34	10.12	10.71 100 3/4	30 1985	5.00 PF1980
30	1979* 99.75	EUROPEAN INVESTMENT BANK 9.75 20/ 3/1991	96 1/2	11.55	10.26	10.10	10.60 101	30C 1986	3.00 PF1980
150	1979* 99.75	EUROPEAN INVESTMENT BANK 9.875 1/ 6/1987 S	99 1/4	7.75	10.26	10.20	10.28 100	30 1986	
100 100.0	1979* 100.00	EUROPEAN INVESTMENT BANK 9.875 15/ 2/1999 S	98 3/8	19.46 14.31	10.32 10.34	10.29	10.52 102.90	30 1991	5.00 DP1987
150 150.0	1979* 99.00	EUROPEAN INVESTMENT BANK 10.00 1/ 6/1999 S	99 1/8	19.75 14.80	10.35 10.37	10.34	10.31 102.65	30 1991	7.30 DP1987
40	1977 100.00	NORDIC INVESTMENT BANK 7.75 1/ 6/1984	90 5/8	4.75	10.33	8.55	 101	45 1981	
25	1978 100.00	NORDIC INVESTMENT BANK 8.75 15/ 5/1988	92 1/4	8.70	10.12	9.49	 101	45 1983	.60 PF1978
10	1978 100.00	NORDIC INVESTMENT BK. P 8.75 15/ 5/1988	92 7/8	8.70	10.00	9.42	 101 1/2	45C 1984	
200	1977 100.00	WORLD BANK 7.00 1/ 5/1982 S	93 1/4	2.67	10.18	7.65			
250	1977 100.00	WORLD BANK 7.125 1/ 8/1982 S	93 1/4	2.92	10.08	7.79			
200	1977 100.00	WORLD BANK 7.63 1/ 5/1987 S	88 7/8	7.67	9.98	8.79			
250	1977 100.00	WORLD BANK 7.75 1/ 8/1987 S	89 1/8	7.92	9.99	8.68			
250	1976 99.80	WORLD BANK 7.80 1/12/1986 S	90	7.25	9.99	8.65			
300	1975 100.28	WORLD BANK 8.00 1/ 1/1980 S	99	.34	11.37	8.24			
250	1976 100.00	WORLD BANK 8.00 1/ 7/1981 S	96 3/8	1.83	10.46	8.47			
200	1975 100.00	WORLD BANK 8.15 1/ 1/1985 S	93 1/2	5.34	9.97	8.81			
200 200.0	1977 99.25	WORLD BANK 8.25 1/ 5/2002 S	87 3/4	22.67 16.91	9.81 9.96	9.62	10.84 102 1/2	30 1989	8.00 DP1990
300	1975 100.00	WORLD BANK 8.30 15/ 7/1980 S	98	.87	11.03	8.65			
250	1975 100.00	WORLD BANK 8.35 15/12/1980 S	97 3/8	1.29	10.84	8.74			
250 250.0	1977 100.00	WORLD BANK 8.35 1/ 8/2002 S	88 3/4	22.92 17.16	9.80 9.94	9.63	10.34 102 1/2	30 1990	10.00 DP1990
250	1976 100.00	WORLD BANK 8.375 1/ 7/1986 S	93 1/4	6.83	9.88	9.18			
250 250.0	1976 99.53	WORLD BANK 8.375 1/12/2001 S	89	22.25 16.49	9.61 9.96	9.40	10.61 102 1/2	30 1989	10.00 DP1989
200	1975 100.00	WORLD BANK 8.60 15/ 7/1985 S	95	5.87	9.87	9.05			
250	1975 100.00	WORLD BANK 8.85 15/12/1985 S	95 7/8	6.25	9.77	9.44			
250 250.0	1976 100.00	WORLD BANK 8.85 1/ 7/2001 S	93 1/8	21.83 16.07	9.54 9.94	9.50	10.45 102 3/4	30 1989	10.00 DP1989
250 250.0	1975 100.00	WORLD BANK 9.35 15/12/2000 S	97 3/8	21.29 15.33	9.67 9.81	9.60	10.25 102 3/4	30 1988	10.00 DP1988
		US DOLLARS—FLOATING RATE							
25 21.5	1975 100.00	ARGLA INVESTMENT 8:1-3/8 12.188 8/ 1/1983 S	100 3/8	3.36 2.23		12.14	100	30C 1980	2.00 1979
40	1978 100.00	AFRICAN DEV BANK 7:1/4 11.50 27/ 7/1983 S	97 7/8	3.90		11.75	100	30C 1981	
35	1978 100.00	[illegible] 5.5:1/4 11.938 23/ 8/1983 S	98 7/8	3.88		12.07	100	30C 1980	
30	1977 100.00	ALLIED IRISH BK 6.75:1/4 11.188 24/ 3/1984 S	99 3/4	4.56		11.22	100	30C 1981	
40	1978 100.00	AMERICAN-NIP INT 1/4 11.063 20/ 4/1982 S	100	2.44		11.06	100	30C 1980	
30	1977 100.00	ANDELSBANKEN 7.0:1/4 11.063 2/ 4/1984 S	99 1/8	4.75		11.16	100	360C 1981	
25	1978 100.00	ARAB INTL BANK 6.5:3/8 11.75 31/ 7/1983 S	97 7/8	3.82		12.01	101	45C 1981	
20	1978* 100.00	ARAB-MALAY DEV 7.5:1/4 10.313 12/10/1983 S	98 1/4	4.12		10.50	101	45C 1981	
30	1979* 100.00	BNL (CAYMAN) LTD 6.5:1/4 10.938 25/ 6/1984 S	97 5/8	4.82		11.20			
60	1976 100.00	B.C.I. 7.75:1/4 11.438 14/ 4/1981 S	100	1.61		11.44	100	30 1979	
25	1976 100.00	B.F.C.E. 6.5:1/4 10.938 27/10/1983 S	99 7/8	4.16		10.95	100	20 1980	
30	1977 100.00	B.F.C.E. 6.375:1/4 11.938 23/ 6/1984 S	98 7/8	4.88		11.85	100	20C 1981	
35	1979* 100.00	BANCO DE CREDITO 6.5:1/4 11.50 31/ 1/1986 S	97 1/2	6.42		11.79			
50	1979* 100.00	BANCO DI ROMA INT 18:1/4 11.188 26/ 4/1987 S	98 1/2	7.65		11.36	100	30C 1983	
40	1977 100.00	BANCO DO BRASIL 6.75:1/4 11.875 15/ 3/1982 S	99 3/4	2.46		11.90	100	60 1979	
25	1979* 100.00	BCO CENT DE SALV 8:1-1/4 12.25 12/10/1983 S	95 1/8	4.12		12.88			
30	1978 100.00	BANCO NAC ARGENT 8:1/4 11.25 21/ 7/1983 S	99 1/4	3.85		11.34	100	30 1981	
30	1979* 100.00	BANCO NAC ARGENT 7:1/4 11.375 22/ 3/1986 S	97 3/4	6.56		11.64	100	30C 1983	
50	1979* 100.00	BCO NAC DESEN ECON 6:1/4 11.125 21/ 6/1989 Q	94 3/8	9.81		11.34	100	45C 1983	
30	1979* 100.00	BCO PROV B.A. 17.75:1/4 11.00 5/ 6/1986 S	98 1/4	6.76		11.20	100	30C 1982	
25	1978 100.00	BANCO UNION 7.75:1/4 11.063 1/ 4/1983 S	98 1/8	3.58		11.27	100	30 1981	
30	1979* 100.00	BANK BUMI DALAY 6.25:1/4 11.00 25/ 4/1984 S	99 1/4	4.64		11.08	100	30C 1982	
100	1979* 100.00	BBG FIN CO L 8.5:1/4 11.00 10/ 1/1989 S	98 1/4	9.36		11.20	100	30C 1981	
30	1976 100.00	BANK HANDLOWY 6.25:1-1/4 11.813 10/ 6/1981 S	99 5/8	1.78		11.86	100 1/2	45Y 1980	
30 30.0	1978 100.00	BANK HANDLOWY 18:1-1/2 11.875 25/ 3/1988 S	98 3/8	8.73 6.73		12.07	101	60C 1981	6.00 1984
30 30.0	1979* 100.00	BANK HANDLOWY 17.5:1-1/2 12.188 10/ 8/1989 S	98 1/4	9.96 7.94		12.40	102	40C 1982	6.00 1985
		US DOLLARS—FLOATING RATE (CONTINUED)							
40	1975 100.00	BANK OF TOKYO 8:1/4 11.313 19/11/1980 S	100 1/4	1.22		11.28	100	30C 1979	
35	1976 100.00	BANK OF TOKYO 6.75:1/4 11.063 20/10/1981 S	100 1/8	2.14		11.05	100	[illegible] 1979	
60	1977 100.00	BANK OF TOKYO 6.5:1/4 11.50 15/11/1984 S	100 1/8	5.21		11.49	100	30C 1981	
30	1978* 100.00	BANK OF TOKYO 5.5:1/4 11.325 18/10/1993 S	98 7/8	14.13		11.50	100	30C 1983	
30	1978 100.00	BANQUE WORMS 5.75:1/4 10.375 15/ 6/1985 S	98 3/8	5.79		10.55	100	30C 1981	
30	1976 100.00	B.U.E. :1/2 11.813 20/ 8/1981 S	99 7/8	1.97		11.83	100	15C 1980	
35	1978 100.00	BQUE EXT D'ALG 8.375:3/4 11.875 9/ 8/1984 S	97 7/8	4.94		12.13	100	30C 1981	1.00 PF1979
40	1978* 100.00	BQUE EXT D'ALGER 7.5:5/8 11.875 2/11/1985 S	95 1/2	6.17		12.43	100	30C 1980	
35 32.3	1979* 100.00	BQUE EXT D'ALGE 7.25:7/8 11.75 11/ 7/1989 S	97 1/2	9.86 4.47		12.05	100	30C 1982	2.75 1979
30	1977 100.00	BQUE NAT D'ALGE 7.75:3/4 11.938 15/10/1982 S	98 3/8	3.12		12.10	100	60C 1980	
30	1976 100.00	BAYER VEREINS 1/4 10.938 1/ 6/1981 S	99 7/8	1.75		10.95	100	60 1979	
75	1976 100.00	B.N.P. 7:1/4 11.563 1/ 3/1983 S	100 1/8	3.50		11.55	100	1979	
50	1975 100.00	B.N.P. 7.5:1/4 11.25 18/ 9/1981 S	100 1/8	2.05		11.24	100	1979	
70	1977 100.00	B.N.P. 5.75:1/4 11.188 21/ 1/1983 S	99 7/8	3.39		11.20	100	1980	
75	1978 100.00	B.N.P. 1/4 11.813 21/ 2/1984 S	99 7/8	4.48		11.83	100	30 1982	
125	1979* 100.00	B.N.P. 5.5:1/4 11.938 22/ 2/1991 S	98 3/4	11.48		12.09	100	1983	
40	1978 100.00	BQUE INDO/SUEZ 5.5:1/4 11.50 25/ 7/1985 S	99 1/2	5.90		11.56	100	30C 1981	
44	1979* 100.00	BQUE INDO SUEZ 5.25:1/4 11.00 10/ 7/1989 S	98 3/8	9.86		11.18	100	30C 1982	
20	1978 100.00	BQUE INT AFR OCC 6.5:1/4 11.00 12/ 7/1983 S	98 3/8	3.86		11.18	100 1/2	60C 1981	
28	1977 100.00	BQ LOUIS-DREYFUS 6.5:3/8 11.438 9/ 3/1983 S	100 1/8	3.52		11.42	100	60C 1980	
30	1979* 100.00	BANQUE SUDAMERIS 6:1/4 11.125 1/ 7/1987 S	97 1/8	7.89		11.45	100	30C 1982	
35	1977 99.00	BEOGRADSKA BANKA 8:1.0 11.75 27/ 4/1983 S	99	3.65		11.87			5.50 PF1978
30 30.0	1979* 100.00	CAREY 7:1/2 11.313 3/ 4/1994 S	94 1/2	14.59 8.59		11.97	101	30C 1982	.80 1982
20	1979* 100.00	G.A. CAVENDISH 7-1/2:1/2 11.75 1/ 8/1986 Q	98	6.92		11.99	100	30C 1982	2.00 PF1980
50 50.0	1978 100.00	C.C.C.E. 5.25:1/4 11.438 3/ 8/1998 S	98 3/8	18.92 11.92		11.63	100	60C 1988	3.33 1984
30	1976 100.00	C.C.F. 7:1/4 11.125 8/ 7/1983 S	99 7/8	3.85		11.14	100	30C 1980	
25	1975 100.00	C.C.F. 7.5:1/4 10.938 22/12/1981 S	100	2.31		10.94	100	30C 1979	
35	1977 100.00	C.C.F. 6.5:1/4 11.00 8/ 7/1983 S	99 5/8	3.85		11.04	100	[illegible] 1980	
45	1978 100.00	C.C.F. 5.75:1/4 11.438 3/ 3/1985 S	99 3/4	5.47		11.47	100	60C 1981	
10	1978 100.00	CHART JAPANCY INT 6:1/4 11.75 9/ 8/1985 S	97 3/4	5.94		12.02	100	30C [illegible]	
150	1975 100.00	CHASE MAN O/S 5.25:1/8 11.375 27/ 7/1993 S	98 7/8	13.90		11.50	100	[illegible] 1983	
100	1979* 100.00	CITICORP O/S 11.875 23/ 2/1983 Q	99 5/8	3.48		11.92			
100	1979* 100.00	CITICORP O/S FIN 6:1/4 10.688 8/ 3/1994 Q	99 5/8	14.52		10.73	101 1/2	30C 1985	
50	1979* 100.00	CITY INVESTING FIN 1/2 11.813 1/ 8/1986 S	96 1/4	6.92		12.27	100	30C 1982	2.00 PF1980
20 20.0	1978 100.00	COSTA RICA,REP 8.5:1-1/4 11.813 10/ 4/1985 S	100 3/8	5.61 3.61		11.77			2.22 1981
75 75.0	1978 100.00	CREDIT NATIONAL 5.25:1/8 11.00 11/ 7/1988 S	98 1/4	8.86 6.86		11.20	101	60C 1984	25.00 1984
30	1977 100.00	CREDIT AGRICOLE 6.5:1/4 10.438 15/12/1984 S	99 3/4	5.29		10.46	100	30C 1980	
40	1977 100.00	CREDITANSTALT 5.75:1/4 11.25 18/ 5/1984 S	99 3/4	4.71		11.28	100	30C 1980	
40	1979* 100.00	CREDITANSTALT 15:3:1/4 10.875 14/ 6/1991 Q	98 3/4	11.79		11.01	100	45C 1982	
75	1976 100.00	CREDIT LYONNAIS 7.00:1/4 11.438 6/ 2/1982 S	99 3/4	2.44		11.47	100	30C 1980	
80	1977 100.00	CREDIT LYONNAIS 6.0:1/4 11.375 10/ 2/1983 S	99 3/4	3.45		11.40	100	30 1980	
30	1977 100.00	CREDIT LYONNAIS 6.5:1/4 11.00 24/ 6/1983 S	99 5/8	3.81		11.04	100	30 1980	
30	1976 100.00	DG BANK FIN 6.25:1/4 10.375 15/12/1982 S	99 5/8	3.29		10.42	100	30C 1979	
15	1977 100.00	DOW BANKING CORP 6.5:1/4 11.50 2/ 8/1982 S	99 5/8	2.92		11.57	100	1980	
125 60.0	1970 100.00	ENEL 7.5:3/4 11.625 31/ 3/1980 S	100 1/4	.75		11.60	100	30C 1979	60.00 1971
25	1978* 100.00	ENPETROL (U26) 7:1/2 11.75 21/ 9/1986 S	99 1/4	7.06		11.84	100	30C 1980	
35 26.3	1974 100.00	ESCOM 8.5:1.0 12.625 13/ 8/1982 S	100 1/4	2.96		12.59	100	30C 1980	0.00 1975
50 40.0	1977 100.00	GAS AREA EIRES 7.5:1-1/4 12.125 31/ 5/1982 S	100 3/8	2.75 1.75		12.08			5.00 1978
25 13.0	1970 100.00	GENERAL CABLE 7.5:1.0 11.875 30/ 9/1980 S	100 3/8	1.08 1.01		11.83	100	30C 1980	2.00 1972
25	1976 100.00	GENOSSEN ZENTRAL 7.5:1/4 11.50 31/ 7/1981 S	100 1/8	1.92		11.49	100	30C 1980	
40	1977 100.00	GENOSSEN ZENTRAL 6.0:1/4 10.938 6/ 4/1983 S	99 7/8	3.60		10.95	100	30C 1980	
40	1979* 100.00	GENOSSEN ZENTRAL 5.5:1/4 11.438 1/ 8/1989 Q	98 1/2	9.92		11.61	100	30C 1983	
25	1978* 100.00	GOTABANKEN 6:1/4 11.50 15/11/1988 S	98 3/8	9.21		11.66	100	30C 1983	
		US DOLLARS—FLOATING RATE (CONTINUED)							
30	1977 100.00	HAPOALIM INTL 6.75:1/4 11.188 8/ 9/1982 S	99	3.02		11.30			
75	1977 100.00	HIDROCARBUROS BK 7.5:3/4 11.375 22/12/1982 S	100	3.31		11.38	100 1/2	30C 1980	
38 18.0	1979* 100.00	IBERPISTAS 7:3/4 11.625 11/ 7/1986 S	96 7/8	6.86 5.99		12.00	100	30C 1983	2.25 1983
30	1979* 100.00	IDB INTERNATIONAL 7:1/4 11.625 19/ 4/1984 S	99 1/2	4.63		11.68			
50	1977 100.00	INDUST BNK-JAPAN 6.0:1/4 11.563 15/ 2/1982 S	99 7/8	2.46		11.58	100	30 1980	
50	1977 100.00	INDUST BNK-JAPAN 6.5:1/4 11.313 1/11/1982 S	99 3/4	3.17		11.34	100	30 1980	
30	1978* 100.00	INDUST BNK-JAPAN 5.5:1/4 10.938 1/12/1985 S	99 3/8	6.25		11.01	100	30C 1982	
25 4.1	1970 100.00	INSILCO 7.5:1.0 12.25 31/ 7/1980 S	100 1/4	.92		12.22	100	[illegible] 1980	15.00 1971
20	1978 100.00	I C BK CHINA 7.25:1/2 11.375 24/ 5/1983 S	99 5/8	3.73		11.42	100	30C 1981	
120	1977 100.00	INT WESTMINSTER BK 6:1/4 11.063 20/ 4/1984 S	99 3/4	4.64		11.09	100	60C 1981	
50	1978 100.00	ISHIKAWAJIMA-H 5.75:1/4 11.00 27/ 4/1985 S	99 1/4	5.65		11.08	100	30C 1981	
20	1977 99.00	JUGOBANKA 7.5:1.0 12.375 1/ 8/1983 S	99	3.83		12.50			2.00 PF1978
50 50.0	1979* 100.00	JUGOBANKA 8:7/8 11.875 23/ 5/1989 S	96 1/8	9.73 8.23		12.35			5.00 1984
30	1977 100.00	KANSALLIS-OSAKE 6.5:1/4 11.25 20/ 7/1983 S	99 1/2	3.88		11.31	100	30C 1980	
20	1979* 100.00	KAY CAPITAL 8-1/2:7/8 12.375 24/ 7/1985 Q	100	5.90		12.38	100	30 1982	
25	1979* 100.00	KRUNG THAI(CAY) 6.75:1/4 11.875 1/ 8/1984 S	97 3/4	4.92		12.15			
30	1976 100.00	LEUMI INT INV 7.50:1/4 11.313 15/ 9/1981 S	99	2.04		11.43			
20	1977 100.00	LEUMI INT INV 6.75:1/4 11.313 15/ 9/1984 S	98 3/4	5.04		11.46			
60	1978* 100.00	LEUMI INT INV 6:1/4 12.313 15/11/1985 S	98 1/4	6.22		12.53			
30 30.0	1978 100.00	LJUBLJANSKA BKA 7.75:1.0 11.875 19/ 7/1985 S	98 3/8	5.88 4.38		12.07	102	60Y 1981	7.50 1982
75	1976 100.00	LLOYDS EUROFIN 7.25:1/4 11.125 31/ 5/1983 S	99 7/8	3.75		11.14	100	30C 1980	
50	1976 100.00	LONG TERM CRED 6.25:1/4 10.375 15/12/1981 S	99 5/8	2.28		10.41	100	30C 1979	
40	1977 100.00	LONG TERM CRED 6.375:1/4 11.375 27/ 7/1982 S	99 3/4	2.90		11.40	100	30C 1980	
60	1978 100.00	LONG TERM CRED 6:1/4 11.813 15/ 2/1983 S	99 7/8	3.46		11.83	100	30C 1981	
75	1978* 100.00	LONG TERM CRED 5.25:1/4 11.625 9/11/1985 S	99 5/8	6.19		11.67	100	30C 1981	
30	1979* 100.00	LONG TERM CRED 5.5:1/4 11.125 7/ 6/1989 S	98 7/8	9.77		11.25	100	30C 1984	
100	1979* 100.00	MAN HAN O/S CAP 5.25:1/8 12.563 23/ 5/1994 Q	99 3/4	14.73		12.59	100	30C 1984	
30	1976 100.00	MIDLAND BANK 7.5:1/4 11.875 18/ 2/1983 S	100 3/8	3.47		11.83	100	30C 1980	
30	1975 100.00	MIDLAND BANK 8.0:1/4 11.50 12/11/1982 S	101 3/8	3.20		11.32	100	30C 1980	
50	1977 100.00	MIDLAND INTL FIN 6:1/4 11.375 18/ 5/1987 S	99 1/2	7.71		11.43	100	30C 1983	
125	1978 100.00	MIDLAND INTL FIN 5.5:1/4 11.25 20/ 7/1993 S	98 1/4	13.88		11.45	100	30C 1983	
100	1979* 100.00	NACIONAL FIN 6.25:1/4 11.50 25/ 7/1986 S	98	6.90		11.73	100	30C 1983	
100	1977 100.00	NACIONAL FINANCIERA 18:1 11.688 5/ 1/1983 S	101 1/8	13.35		11.56			
150	1978 100.00	NATIONAL WEST 5.5:1/4 11.00 21/ 8/1990 S	98 3/8	10.81		11.18	100	45 1982	
300	1979* 100.00	NATIONAL WEST 5.25:1/4 11.00 11/ 4/1994 S	98 3/8	14.61		11.18	100	45C 1985	
20	1978 100.00	NIPPON CREDIT 5.75:1/4 11.313 15/ 3/1983 S	100	3.54		11.31	100 1/2	30 1981	
30	1978* 100.00	NIPPON CREDIT BK 5.5:1/4 10.938 22/12/1985 S	99	6.31		11.05	100	30C 1982	
50	1979* 100.00	NIPPON CREDIT BK 6.5:1/8 10.875 12/ 7/1986 S	97 3/4	6.86		11.13	100	30C 1983	
100 100.0	1978 100.00	OFFSHORE MINING CO 1/4 11.063 19/ 7/1986 S	98 1/2	6.88 6.51		11.23	100	30C 1980	25.00 1985
40	1976 100.00	OSTERREICHE KONT 6.5:1/4 11.313 17/11/1982 S	100 1/8	3.21		11.30	100	30C 1979	
50	1978* 100.00	OSTERR KONTRL L 5.75:1/4 11.438 18/10/1988 S	100 5/8	9.13		11.37	100	30C 1981	
70 70.0	1978 100.00	PANAMA,REPUBLIC OF 7:1 13.50 31/ 8/1990 S	99 1/2	11.00 6.73		13.57			3.50 1981
50 50.0	1979* 100.00	PANAMA,REPUBLIC OF 7:5/8 11.50 [illegible]	97	11.88 8.33		11.86	100	60C 1982	2.50 1983
25	1975 100.00	PARIBAS 7.25:1/4 10.938 9/12/1980 S	100	1.27		10.94	100	30C 1979	
100	1979* 100.00	PETROLEOS MEXICANO 7:1/4 11.438 24/ 1/1984 S	99 1/8	4.40		11.54			
25	1976 100.00	POPULAR ESP INT 7.25:1/4 11.125 30/11/1981 S	99 7/8	2.25		11.14	100	30C 1979	
20	1979* 100.00	PICA 7:1/2 11.688 8/ 2/1986 S	98 3/4	6.44		11.84	100	30C 1984	
25 25.0	1977 99.00	PRIVREDNA BANKA 8:1-1/4 12.00 6/ 1/1985 S	98	5.35 3.95		12.24			2.50 1981
30 30.0	1978* 100.00	PRIVREDNA BANKA 8:7/8 11.563 23/12/1986 S	95 3/8	7.31 5.06		12.09	101	45C 1983	5.00 1982
30	1976 100.00	ROYAL BANK-SCOT 7.75:1/4 11.688 6/ 5/1983 S	100 3/8	3.68		11.64	100	30C 1980	
75	1979* 100.00	ROYAL BNK-SCOT 15.25:1/4 11.00 11/ 7/1994 Q	98 3/4	14.86		11.14	100	30C 1983	
50 47.0	1975 100.00	S.F.T.E. 8:3/4 11.75 3/ 4/1983 S	100 1/4	3.59 3.21		11.72	100 1/2	60 1981	3.00 1979
50 36.0	1974 100.00	S.F.T.E. 8:3/4 11.625 7/ 6/1984 S	100 1/4	4.77 3.66		11.60	100	60C 1979	4.00 1975
30	1977 100.00	S.N.C.F. 6.25:1/4 11.563 2/ 2/1997 S	99 3/4	17.42		11.59	100	60C 1980	
		US DOLLARS—FLOATING RATE (CONTINUED)							
60	1977 100.00	SOCIETE GENERALE 3/8 11.188 1/10/1984 S	100	5.08		11.19	100	60 1981	
20	1979* 100.00	SOCIEAL 15.75:1/4 10.813 13/ 7/1989 S	98	9.87		11.03	100	30C 1983	
50 50.0	1979* 100.00	SONATRACH 7.5:1 12.563 15/ 2/1991 S	97 1/2	11.46 8.99		12.88	100	30C 1982	2.50 1985
50	1978* 100.00	SONATRACH L 7.25:3/4 11.625 7/12/1992 S	94 1/8	13.27		12.35			
50	1977 100.00	STANDARD CHART 6.25:1/4 11.125 31/ 5/1984 S	99 3/4	4.75		11.15	100	30C 1981	
100	1978 100.00	STANDARD CHART 5.5:1/4 11.375 10/ 8/1990 S	98 3/8	10.94		11.56	100	30C 1983	
15	1977 100.00	SUMITOMO BANK 5.5:1/4 11.50 12/ 5/1980 S	100 1/4	.70		11.47			
25	1978 100.00	SUMITOMO HEAVY 5.75:1/4 11.125 16/ 3/1983 S	99 7/8	3.54		11.14	100	3FC 1981	
20	1978* 100.00	SUNDSVALLSBANKEN 6:1/4 11.063 4/10/1985 S	98 3/8	6.09		11.25	100	30C 1982	
35	1979* 100.00	TEXAS INT AIR CAP 7:3/4 11.563 11/ 4/1986 Q	96 1/2	6.61		11.98	100	30C 1982	2.00 PF1980
25	1979* 100.00	THAI FARMER INT 7.25:1/4 11.00 21/ 6/1984 S	97 5/8	4.81		11.27	100	30C 1982	
30	1979* 100.00	THAILAND,KINGDOM 7:1/4 11.313 15/ 3/1984 S	98 1/8	4.54		11.53			
40	1979* 100.00	TRADE DEV FIN SERV 6:1/4 11.875 21/ 8/1986 S	98	6.97		12.12	100	45C 1982	
30	1979* 100.00	TWO POWER (B-LOCK) 9:1/4 11.125 24/ 5/1991 S	97 7/8	11.73		11.37	101	30C 1984	
25	1977 100.00	U.B.A.F. 7.25:1/4 11.125 7/12/1982 S	99 5/8	3.27		11.17	100	45 1980	
25	1976 100.00	U.B.A.F. 7.5:1/4 10.938 3/ 6/1981 S	99 1/2	1.76		10.99	100	30 1979	
25	1977 100.00	U.B.A.F. 6.75:1/4 11.25 23/ 3/1982 S	99 3/4	2.56		11.28	100	45 1980	
30	1977 100.00	UNION BK-FINLAND 6.5:1/4 11.063 20/ 4/1982 S	99 1/2	2.64		11.12	100	30C 1979	
25	1976 100.00	UNITED OVERSEAS BK 7:1/4 11.00 24/11/1981 S	99 5/8	2.23		11.04	100	30C 1979	
25	1978 100.00	UNITED OVERSEAS BK 6:1/4 11.438 4/ 5/1983 S	99 5/8	3.67		11.48	100	30C 1981	
25	1979* 100.00	UNITED OVERSEAS BK 6:1/4 11.00 29/ 3/1989 Q	97 5/8	9.58		11.27	100	30C 1984	
25	1976 100.00	URQUIJO INTL 7.25:1/4 11.00 21/12/1981 S	99 3/4	2.31		11.03	100	30C 1979	
30	1979* 100.00	URQUIJO INTL 6:1/4 11.50 31/ 3/1986 S	98	6.55		11.73	100	30C 1981	
25	1976 100.00	VIZCAYA INT 7.25:1/4 11.50 12/11/1981 S	99 7/8	2.20		11.51	100	30C 1979	
40	1977 100.00	WILLIAMS & GLYNS 6.5:1/4 11.313 28/ 2/1984 S	99 7/8	4.50		11.33	100	30C 1981	
75	1979* 100.00	WILLIAMS & GLYN 5.25:1/4 5.25 14/ 9/1991 S	98 1/8	12.06		5.30	100	30C 1983	
		AUSTRALIAN DOLLARS							
15	1976 99.25	AUSTRALIAN IND DEVT CORP 10.00 1/10/1983	92	4.08	12.61	10.87	100 1/2	30 1980	
10	1977 100.00	AUSTRALIAN RESOURCES 10.00 1/12/1982	92	3.25	13.13	10.87	100	30 1981	
15	1978 100.00	CITICORP O/S FIN L 10.50 15/ 2/1983	95 1/2	3.46	12.11	10.99			1.50 PF1979
15	1979* 99.50	CITICORP O/S FIN L 11.00 1/ 2/1984	95 1/2	4.42	12.33	11.52			1.50 PF1980
12	1978 100.00	BANK OVERSEAS HOLDINGS 11.50 1/ 7/1983	93	3.83	13.94	12.37			
		AUSTRIAN SCHILLINGS							
150 75.0	1971 98.50	ASIAN DEVELOPMENT BANK 7.00 20/12/1983 P	100	4.30 2.30	7.12 7.04	7.12	103	90C 1979	15.00 1974
400	1978* 99.80	EUROPEAN INVESTMENT BANK 7.75 22/12/1986	97	7.31	8.30	7.99	8.70 100 1/2	150C 1983	50.00 PF1982
350 350.0	1976 97.25	EUROPEAN INVESTMENT BK P 8.00 20/10/1986	98 3/4	7.14 4.64	8.23 8.34	8.10	100 1/2	1981	58.34 1981
300 300.0	1976 97.25	INTER-AMERICAN DEV BK P 8.00 17/12/1986	98 3/4	7.30 4.80	8.22 8.32	8.10	8.80 100 1/2	130 1981	30.00 1981
		BAHRAINI DINARS							
12 12.0	1977 100.00	NAT ALGERIE NAVIGATION 8.75 1/ 8/1987	93	7.92 5.42	10.07 10.38	9.41	100	60C 1980	2.00 1982
15 15.0	1977 100.00	PETROLEOS MEXICANOS L 8.75 15/11/1987	95	8.21 6.21	9.65 9.85	9.21	101	60C 1980	3.00 1983
		CANADIAN DOLLARS							
25	1977 99.50	AMERICAN HOSPITAL SUPPLY 9.75 15/10/1984	91 3/4	5.12	10.92	9.54	100	30 1982	
20	1977 100.00	AVCO FIN SERV-CANADA 9.50 1/ 8/1982	93 3/8	2.92	12.21	10.15			
25	1979* 99.25	AVCO FIN SERVICES-CANADA 10.25 15/ 3/1986	93 1/2	6.70	11.67	10.96	12.42 100 1/2	30 1983	
30	1979* 100.00	BANK OF BRITISH COLUMBIA 10.25 15/ 3/1989	85 7/8	9.70	10.94	10.49	11.40 100	30 1984	
50	1976 100.00	BANK OF MONTREAL 9.00 15/ 9/1982	93 5/8	3.04	11.60	9.61	100	30 1981	
30	1977 99.75	BANQUE CANADIENNE NAT 8.25 15/ 2/1982	93 1/8	2.46	11.37	8.86			
15	1976 100.00	BANQUE CANADIENNE NAT 9.25 15/ 4/1982	95	2.62	11.31	9.74	100	30 1981	
20	1976 99.50	B.C CENTRAL CREDIT UNION 9.75 22/12/1981	96 3/8	2.31	11.57	10.12			
25	1977 100.00	BM-RT 8.75 1/ 6/1982	93 1/2	2.75	11.60	9.36			
50	1977 99.00	BENEFICIAL FIN INT 9.00 15/ 2/1984	91 1/8	4.46	11.63	9.88	100	[illegible] 1982	
20	1975 100.00	BENEFICIAL FIN INT 9.50 15/ 7/1980	97 3/8	.87	12.79	9.76			
25	1975 100.00	BENEFICIAL FIN INT L 9.75 15/12/1982	98 1/2	3.29	10.27	9.90	10.47 100	30 1981	
		CANADIAN DOLLARS (CONTINUED)							
20	1977 100.00	BENEFICIAL FIN INT 10.25 15/10/1982	97 1/4	3.12	11.75	10.54	100	30 1980	
25	1978 100.00	BORG-WARNER ACCEPT-CAN 10.25 1/12/1980	97 3/4	1.25	12.20	10.49			
25	1977 100.00	BRITISH COLUMBIA H.P.A L 9.00 1/ 6/1997	92 3/8	17.75	9.92	9.74			
15 15.0	1976 99.00	BRITISH COLUMBIA H.P.A 9.25 15/ 5/1981	96 3/4	1.70 1.20	11.38 12.33	9.56	100 3/4	30 1979	7.50 1980
25	1975 99.00	BRITISH COLUMBIA H.P.A 9.25 30/ 6/1982	94 7/8	2.83	11.43	9.75	100 3/4	30 1980	2.00 PF1976
24	1979* 100.00	BRITISH COLUMBIA H.P.A L 10.25 15/ 3/1999	96 3/8	19.70	10.68	10.64	11.43 101	60C 1984	
20	1976 99.00	CALGARY POWER 9.75 15/ 5/1982	95 1/2	2.70	11.74	10.21			0.00 PF1977
25	1976 100.00	CANADA PERM MORT CORP 9.75 1/11/1981	96 1/8	2.17	11.84	10.14			
25	1976 100.00	CANADA TRUSTCO MORTGAGE 9.25 1/12/1981	95 1/8	2.25	11.79	9.72			
35	1977 100.00	CANADIAN ACCEPTANCE Y 9.375 13/10/1982	94 3/8	3.12	11.50	9.91			
40	1977 99.25	CANADIAN NAT RAIL CO 8.875 1/ 3/1987	89 5/8	7.50	10.95	9.90	101	30 1983	1.80 PF1978
35	1976 100.00	CANADIAN PACIFIC SECS 9.25 15/ 4/1983	95	3.62	10.96	9.74	100	30 1981	
35	1975 100.50	CANADIAN PACIFIC SECS 9.75 15/12/1981	96 1/4	2.29	11.65	10.13	100	30 1980	
25	1977 100.00	CHRYSLER CREDIT - CANADA 9.25 15/ 6/1982	79 1/2	2.79	19.37	11.64	100	30 1981	
30	1976 99.00	CHRYSLER CREDIT - CANADA 9.50 15/10/1982	80 1/8	3.12	18.38	11.86	100	30 1981	
30	1976 100.00	CORK CREDIT CORP - CANADA 9.75 15/ 5/1981	97 1/8	1.70	11.63	10.04			
20 20.0	1974 100.00	COMMERCIAL UNION B 11.25 15/ 1/1995	102 1/2	15.38 11.63	11.20 11.16	11.28	11.03 105	30 1985	1.07 1986
30	1977 100.00	CREDIT FONCIER F-CAN 8.75 25/ 2/1982	93 5/8	2.46	11.83	9.35			
30	1976 100.00	CREDIT FONCIER F-CAN 9.75 15/ 2/1981	97 3/8	1.46	11.71	10.01			
25	1976 100.00	CREDIT FONCIER F-CAN 9.75 15/ 7/1981	96 3/4	1.87	11.75	10.08			
25	1979* 100.00	CREDIT FONCIER F-CAN 10.375 15/ 5/1984	94 7/8	5.04	11.77	10.94			
25	1977 100.00	DENISON INT (CANADA) Y 8.50 15/ 3/1982	93 3/4	2.54	11.42	9.07			
30	1976 100.00	DU PONT OF CANADA 9.50 15/ 2/1981	97 1/8	1.46	11.66	9.78			
30	1976 100.50	EUROPEAN COAL & STEEL 9.00 15/ 3/1983	92 1/2	3.54	11.66	9.73	100	30 1981	
25	1977 100.50	EUROPEAN COAL & STEEL 9.00 15/ 4/1984	92 3/4	4.62	11.05	9.70	100	30 1982	
30	1979* 100.00	EXPORT DEVELOPMENT CORP 10.00 15/ 5/1984	96 5/8	4.70	10.92	10.36	11.18 100 1/4	45 1983	
25	1975 100.00	FIRST CANADIAN INVEST 10.00 1/ 1/1981	97 1/4	1.34	12.25	10.28			
30	1979* 100.50	FIRST CANADIAN INVEST 10.00 15/ 5/1984	95 1/4	4.70	11.33	10.50			
20	1977 100.00	FORD MOTOR CREDIT-CANADA 8.50 15/ 5/1984	91 1/4	4.70	10.95	9.32	100	30 1982	
20	1977 99.50	FORD MOTOR CREDIT-CANADA 8.75 15/ 5/1987	88 1/4	7.70	11.08	9.92	100	30 1984	
30	1976 99.50	FORD MOTOR CREDIT-CANADA 9.25 1/ 2/1983	94 1/2	3.42	11.23	9.79	11.94 100	30 1982	
40	1976 100.00	FORD MOTOR CREDIT-CANADA 9.50 15/ 7/1982	95 1/4	2.87	11.51	9.97	12.46 100	30 1981	
40	1975 100.00	FORD MOTOR CREDIT-CANADA 9.75 1/11/1980	97 1/4	1.17	12.35	10.03			
5	1976 100.00	GENELCAN D 9.00 15/11/1981	94 1/4	2.21	11.80	9.50			
10	1975 100.00	GENELCAN D 9.50 1/12/1982	94 1/2	3.25	11.59	10.05			
25	1977 100.00	GENERAL FOODS LTD 8.50 1/ 3/1984	90 3/4	4.67	11.12	9.37	100	30 1982	
30	1976 100.50	GEN MOTORS ACCEPTANCE 9.00 15/10/1981	94 5/8	2.12	11.89	9.51			
50	1976 100.00	GEN MOTORS ACCEPTANCE 9.00 1/ 2/1982	94 3/8	2.42	11.75	9.54	100	30 1981	
40	1976 100.00	GEN MOTORS ACCEPTANCE 9.25 1/ 6/1983	93 1/2	3.75	11.45	9.89	100	30 1981	
50	1975 100.00	GEN MOTORS ACCEPTANCE 9.50 15/10/1981	95 7/8	2.12	11.78	9.91	100	30 1980	
50 50.0	1976 100.00	GEN MOTORS ACCEPTANCE 9.50 1/ 2/1986	94 1/2	6.42 4.75	10.70 11.03	10.05	101 1/2	30 1981	8.33 DP1982
50 50.0	1976 100.00	GEN MOTORS ACCEPTANCE 9.75 15/10/1988	93 7/8	9.12 7.02	10.83 11.06	10.39	102 1/2	30 1981	3.00 DP1982
25	1977 100.00	WALTER E.HELLER (CAN) 9.50 1/ 7/1984	94 1/8	4.87	11.11	10.09	12.01 100	30 1982	
15	1976 98.50	WALTER E.HELLER (CAN) 9.75 15/ 6/1981	96 5/8	1.79	11.90	10.09			
35	1975 100.50	HUDSON'S BAY 10.25 15/11/1981	97 3/4	2.21	11.41	10.49	11.28 100	30 1980	
60 60.0	1979* 100.00	HUDSON'S BAY 10.50 15/ 4/1989	97 1/2	9.62 7.75	10.91 10.88	10.77	11.72 101	30 1984	7.50 DP1984
25	1976 100.00	IAC LIMITED 9.50 15/ 5/1981	96 5/8	1.70	11.90	9.86			
25	1977 100.00	INT HARVESTER CREDIT-CAN 8.75 1/ 2/1983	91 5/8	3.42	11.92	9.58	100	30 1982	
25 25.0	1976 99.50	INT HARVESTER CREDIT-CAN 9.75 15/ 4/1986	93 3/4	6.62 5.06	11.11 11.43	10.40	100 1/2	30 1981	1.00 1977
30	1978 100.50	INT HARVESTER CREDIT-CAN 10.25 1/ 2/1981	96 7/8	2.00	12.10	10.58	100 1/4	30 1980	
		CANADIAN DOLLARS (CONTINUED)							
25	1976 100.00	IBE CANADIAN FINANCE 9.50 1/ 8/1982	94 1/8	2.92	11.99	10.08	100	30 1981	
25 22.5	1976 100.00	IBE CANADIAN FINANCE 10.00 1/ 8/1986	95	6.92 5.73	11.06 11.23	10.53	100 3/8	30 1981	1.25 1978
30	1976 99.50	KINROSS MORT.CORP 9.25 15/ 6/1982	94 3/8	2.79	11.58	9.78	100	30 1981	
20	1977 100.00	LAURENTIDE FIN CORP 9.50 30/ 6/1982	94	2.83	12.11	10.11			
20	1976 99.00	LAVAL,CITY OF 10.00 1/ 7/1996	96 1/8	16.83	10.49	10.40	102 1/2	1986	
25	1977 100.50	MAN HAN LEASING CANADA 8.25 15/ 5/1982	92 3/8	2.70	11.65	8.93			
15 15.0	1975 99.50	MANITOBA,PROVINCE OF 9.25 30/ 4/1985	95 1/4	5.66 3.66	10.38 10.86	9.71	102	98 1980	3.00 1981
40	1979* 99.00	MONTREAL,CITY OF 10.00 1/ 6/1989	93 7/8	9.73	11.04	10.65	11.65 101	60 1985	4.00 PF1980
5	1975 98.50	MONTREAL EAST,TOWN OF 9.75 18/ 7/1982	91 1/2	2.88	13.47	10.66	101	60C 1980	
20 19.0	1975 100.00	NEWFOUNDLAND,PROVINCE OF 9.50 15/ 3/1983	97 1/4	3.70 3.52	10.40 10.46	9.77	101	30 1979	.30 PF1976
30	1975 100.25	NEWFOUNDLAND,PROVINCE OF 10.25 15/12/1985	99 1/4	6.29	10.39	10.33	102	30 1980	1.20 PF1976
10	1975 99.50	NORANDA MINES 9.75 1/11/1980	97 3/8	1.17	12.22	10.01			
25	1976 100.00	NORANDA MINES 9.75 15/ 7/1982	95	2.87	11.88	10.26			
20	1976 99.50	NORCEN 9.75 15/ 4/1983	96 1/4	3.62	11.02	10.13			
15	1974 99.25	NOVA SCOTIA POWER L 9.50 1/ 7/1994	97 3/8	14.83	9.84	9.76	10.37 101	98 1984	
30	1976 100.00	NOVA SCOTIA,PROVINCE OF 9.00 15/12/1983	93 1/2	4.29	10.95	9.63			
15	1976 100.50	PANCANADIAN PETROL 9.75 15/11/1983	95 1/8	4.21	11.24	10.25	100	30 1981	
5	1975 98.50	POINTE-AUX-TREMBLES 9.75 18/ 7/1982	91 5/8	2.88	13.42	10.64	101	60C 1980	
10	1976 100.00	PROVINCIAL BANK-CANADA 9.50 15/ 2/1982	95 3/4	2.46	11.52	9.92	100	30 1981	
15	1975 100.00	QUEBEC,CITY OF L 10.00 15/11/1995	96 3/8	16.21	10.43	10.39	102	1985	
15	1974 100.00	QUEBEC,CITY OF L 10.75 15/10/1994	102	15.12	10.47	10.54	10.52 102	45C 1984	
30	1975 99.00	QUEBEC HYDRO-ELECTRIC 9.50 15/10/1981	96 1/8	2.12	11.63	9.88			
30	1979* 100.00	QUEBEC,PROVINCE OF 10.25 15/ 4/1986	93 5/8	6.62	11.29	10.72	11.94 100 3/4	30 1983	
15	1977 100.00	QUEBEC URBAN COMMUNITY 9.50 3/ 2/1982	95 1/4	2.43	11.80	9.97			
15	1977 99.50	QUEBEC URBAN COMMUNITY 9.50 15/ 9/1984	93	5.04	11.40	10.22			
15	1976 98.50	QUEBEC URBAN COMMUNITY 9.75 26/ 3/1983	95	3.73	11.43	10.26			
10	1974 100.00	QUEBEC URBAN COMMUNITY 10.75 15/11/1979	99 1/2	.21	12.81	10.80			
20	1977 100.00	RANK OVERSEAS HOLDINGS 9.50 15/ 6/1982	93 1/2	2.79	12.35	10.16			
40	1977 100.00	ROYAL BANK OF CANADA 8.00 15/ 2/1984	88 3/4	4.46	11.32	9.01	100	30 1982	
35	1976 100.00	ROYAL BANK OF CANADA 8.75 1/ 4/1982	94	2.38	11.51	9.31	100	30 1981	
40 40.0	1977 100.00	ROYAL BANK OF CANADA 9.00 15/ 2/1992	88 3/8	12.46 10.40	10.72 10.91	10.18	100	30 1985	1.50 1982
35 35.0	1976 100.00	ROYAL BANK OF CANADA 9.50 1/ 4/1988	94 7/8	8.58 6.18	10.41 10.66	10.01	10.95 100	30 1984	3.00 1981
40	1979* 100.50	ROYAL BANK OF CANADA 10.00 15/ 5/1986	96 3/8	6.70	10.76	10.38	11.00 100	30 1984	
40 40.0	1979* 100.00	ROYAL BANK OF CANADA 10.00 15/ 5/1994	92 1/8	14.70 12.64	11.09 11.18	10.85	11.74 100	30 1986	2.50 1984
20	1976 100.00	ROYAL TRUST CO MORTGAGE 9.50 15/ 2/1981	96 7/8	1.46	11.86	9.81			
20	1976 100.00	ROYAL TRUST CO MORTGAGE 9.75 1/ 9/1982	95 1/2	3.00	11.61	10.21			
30	1975 100.00	ROTHMANS LEASING 9.50 15/10/1980	97 5/8	1.12	11.82	9.73			
30	1976 100.50	ROYNOR 9.75 1/ 2/1982	96 1/4	2.42	11.55	10.13	100	30 1981	
15	1975 99.75	ROYNAT 9.50 1/ 9/1980	97 1/2	1.00	12.31	9.74			.30 PF1977
20	1974 99.50	ROYNAT 9.50 1/ 7/1981	96 1/8	1.83	11.93	9.88			.40 PF1979
20	1976 99.50	SIMPSON-SEARS ACC-CO 9.75 1/ 8/1983	95 3/8	3.92	11.26	10.22	100	30 1981	.84 PF1977
25	1976 100.00	TEXASGULF CANADA 9.50 15/ 6/1982	94 3/4	2.79	11.78	10.03	100	30 1981	
25 22.5	1976 99.25	TEXASGULF CANADA 10.00 15/ 6/1986	97 7/8	6.79 5.62	10.43 10.51	10.22	100 3/8	30 1981	1.25 DP1978
50	1976 100.50	TORONTO-DOMINION BANK 9.00 1/ 4/1982	95	2.58	11.28	9.47	100	30 1981	
35	1975 100.50	TORONTO-DOMINION BANK 9.75 1/11/1981	97 1/4	2.17	11.21	10.03	100	30 1980	
25	1976 100.00	TRADERS GROUP 9.75 15/ 5/1982	96 1/4	2.54	11.47	10.13			.75 PF1977
15	1975 100.00	TRANS UNION FIN (CANADA) 10.50 1/12/1980	99	1.25	11.31	10.61			
30	1976 100.00	UNION CARBIDE OF CANADA 9.25 1/ 5/1982	95	2.67	11.48	9.74	100	30 1981	
30 27.0	1976 99.00	UNION CARBIDE OF CANADA 9.75 1/ 5/1986	95	6.67 5.30	10.82 10.99	10.26	100 3/8	30 1981	1.50 DP1978
		EUROGUILDERS							
40	1977 99.50	AKZO 7.50 1/10/1984	96 1/8	5.08	8.46	7.80			
50	1976 99.50	AKZO 10.00 1/10/1981	101 1/4	2.08	9.29	9.88			
		EUROGUILDERS (CONTINUED)							
100 25.0	1972 100.00	ALGEMENE BANK 6.00 1/10/1979	99 1/2	.08	12.05	6.03			25.00 1976
75 18.8	1973 100.00	ALGEMENE BANK 6.25 1/ 5/1980	98	.67	9.38	6.38			18.75 1977
75	1978 99.50	ALGEMENE BANK 6.25 15/ 5/1983	92 7/8	3.70	8.56	6.73			
75 18.8	1973 100.00	ALGEMENE BANK 7.25 1/ 2/1980	99	.42 .38	9.65 9.89	7.32			18.75 1977
75	1975 99.50	ALGEMENE BANK 9.50 1/ 2/1980	100	.42	9.34	9.50			
75	1974 100.00	ALGEMENE BANK 10.00 1/12/1979	100	.25	9.63	10.00			
75	1974 99.50	ALGEMENE BANK 10.50 1/10/1979	100 1/8	.08	8.32	10.49			
75	1976 99.75	ALUSUISSE INT 8.25 15/ 3/1983	101 3/8	3.54	7.77	8.14			
60 15.0	1973 99.50	AMRO BANK 6.25 15/ 3/1980	98 3/8	.54 .50	9.36 9.38	6.35			15.00 1977
70 17.5	1973 100.00	AMRO BANK 7.25 1/ 2/1980	99	.42	9.60	7.32			17.50 1977
60	1974 100.00	AMRO BANK 9.75 15/12/1979	100	.29	9.42	9.75			
50	1974 100.00	AMRO BANK 10.75 1/11/1979	100 1/4	.17	8.77	10.72			
75	1975 99.50	AMRO BANK 8.25 15/ 9/1981	100 1/8	2.04	8.17	8.24			
75	1976 99.50	AMRO BANK 9.25 1/11/1981	101 1/2	2.17	8.44	9.11			
70	1978 100.00	AMRO BANK 7.00 1/ 3/1983	96 3/8	3.50	8.21	7.26			
60 15.0	1973 99.25	AMRO FINANCE 6.25 1/ 4/1980	98	.58	9.81	6.38			15.00 1977
75	1976 99.75	ASIAN DEVELOPMENT BANK 8.25 1/ 3/1983	99 1/4	3.50	8.48	8.31			
100	1976 100.00	AUSTRALIA,COMMONWEALTH 8.00 1/ 6/1983	100 1/8	3.75	7.94	7.99			
75	1977 99.75	AUSTRIA,REPUBLIC OF 7.25 15/11/1984	95 3/8	5.21	8.37	7.60			
70	1975 100.00	AUSTRIA,REPUBLIC OF 8.25 15/ 7/1982	100 1/4	2.87	8.13	8.23			
75	1975 100.00	AUSTRIA,REPUBLIC OF 9.25 1/ 3/1982	102	2.50	8.29	9.07			
50	1975 99.25	AUSTRIAN ELECTRICITY 8.75 15/ 5/1982	100 3/4	2.70	8.40	8.68			
40 10.0	1972 99.50	BANK MEES & HOPE 5.75 1/10/1979	99 3/8	.08	10.22	5.77			10.00 1976
40 10.0	1973 99.50	BANK MEES & HOPE 6.00 1/ 5/1980	98	.67	9.13	6.12			10.00 1977
75	1978 100.00	BANK MEES & HOPE 7.00 1/ 4/1983	96	3.58	8.31	7.29			
75	1977 100.00	BANK MEES & HOPE 7.75 15/ 5/1982	98 5/8	2.70	8.31	7.86			
60	1975 99.75	BANK MEES & HOPE 8.25 15/12/1981	100	2.29	8.22	8.25			
40	1974 100.00	BANK MEES & HOPE 10.00 1/12/1979	100 1/8	.25	9.12	9.99			
75	1978 99.50	BRAZIL,REPUBLIC OF 7.50 1/ 7/1983	93 1/4	3.83	9.68	8.04			
75	1978 99.00	C.F.E. - MEXICO 7.75 1/ 8/1983	97	3.92	8.68	7.99			
40 10.0	1973 100.00	CONSOLIDATED FOODS 6.50 1/ 5/1980	97 7/8	.67	9.84	6.64			10.00 1977
60	1975 99.50	DUTCH STATE MINES 9.25 1/ 4/1982	101 3/4	2.58	8.43	9.09			
40 40.0	1976 99.50	EERSTE NEDER CEMENT 8.50 15/ 4/1983	98 7/8	3.62 2.12	8.85 9.10	8.60			10.00 1980
50	1975 99.75	EUROFIMA 8.50 1/ 5/1982	100 3/4	2.67	8.14	8.44			
60	1976 99.75	EUROPEAN COAL & STEEL 8.00 15/ 2/1983	99 1/8	3.46	8.27	8.07			
50 40.0	1972 100.00	EUROPEAN INVESTMENT BANK 6.00 15/ 9/1982	95 1/8	3.04 1.54	7.86 9.59	6.31			10.00 1978
75	1978* 99.50	EUROPEAN INVESTMENT BANK 7.25 1/10/1985	93 3/8	6.08	8.69	7.76			
75	1976 99.75	EUROPEAN INVESTMENT BANK 8.00 15/ 4/1983	98 3/4	3.62	8.39	8.10			
75	1977 100.00	EUROPEAN INVESTMENT BANK 8.00 15/ 2/1984	96 1/4	4.46	8.47	8.16			
75	1978* 99.00	EUROPEAN INVESTMENT BANK 8.25 1/ 1/1986	97 3/4	6.34	8.71	8.44			
75	1975 100.00	EUROPEAN INVESTMENT BANK 9.00 1/ 3/1982	101 1/2	2.50	8.27	8.87			
30 7.5	1972 100.00	GOVETT (T.C.) 6.50 1/11/1979	99 3/4	.17	7.85	6.52			7.50 1976
50	1974 99.00	IRELAND,REPUBLIC OF 10.25 15/12/1979	100 1/8	.29	9.44	10.24			
50 12.5	1972 100.00	ISCOR 6.50 15/10/1979	99 1/2	.12	10.32	6.53			12.50 1976
50	1975 99.75	ISHIKAWAJIMA-HARIMA 9.25 1/ 5/1980	100	.67	9.11	9.25			
50 12.5	1973 100.00	MALAYSIA,GOVERNMENT OF 6.25 15/ 6/1980	99	.79	8.05	6.82			12.50 1977
		EUROGUILDERS (CONTINUED)							
75	1977 99.50	MEXICO,UTD STATES OF 8.25 15/ 7/1983	99 1/2	3.87	8.44	8.29			
75	1978 [illegible]	MIDDEN-STANDBANK [illegible]	95	3.75	8.42	6.81			
75	1979* 100.00	MIDDEN-STANDBANK [illegible]	100 3/8	4.38	6.13	8.22			
75	1973 [illegible]	NEDERLANDSE GASUNIE [illegible]	100 1/8	.46	8.97	9.49			
75	1975 [illegible]	NEDERLANDSE GASUNIE [illegible]	100 1/4	4.63	8.16	8.36			
75	1975 [illegible]	NEW ZEALAND,GOVT OF [illegible]	93 3/8	4.83	8.47	7.33			
75	1977 [illegible]	NEW ZEALAND,GOVT OF [illegible]	99 3/4	3.30	8.06	8.02			
75	1977 [illegible]	NEW ZEALAND,GOVT OF [illegible]	101 3/8	3.31	8.16	8.24			
75	1975 [illegible]	NEW ZEALAND,GOVT OF [illegible]	101 1/8	2.30	8.44	8.90			
75	1975 [illegible]	NORGES KOMMUNALBANK [illegible]	98 3/8	3.38	8.84	7.88			
75	1978 [illegible]	NORWAY,KINGDOM OF [illegible]	99 1/2	3.59	8.66	6.65			
[illegible]	1977 [illegible]	NORWAY,KINGDOM OF [illegible]	94 3/4	3.08	8.76	8.71			
[illegible]	1977 [illegible]	NORWAY,KINGDOM OF [illegible]	101 1/2	2.38	8.39	7.87			
[illegible]	1975 [illegible]	NORWAY,KINGDOM OF [illegible]	98 1/4	1.21	9.09	8.10			
[illegible]	1979* [illegible]	NORWAY,KINGDOM OF [illegible]	100	4.54	8.25	8.25			
[illegible]	1976 [illegible]	NORWAY,KINGDOM OF [illegible]	99 7/8	2.87	8.27	8.01			
[illegible]	1975 [illegible]	OSLO,CITY OF [illegible]	101 1/8	2.83	7.78	8.16			
[illegible]	1976 [illegible]	OSLO,CITY OF [illegible]	99 3/4	4.34	8.20	8.27			
[illegible]	1978 [illegible]	OSTERREICHE KONTROLLBANK [illegible]	96 3/8	5.70	8.44	7.17			
[illegible]	1977 [illegible]	OSTERREICHE KONTROLLBANK [illegible]	97 1/8	2.92	8.39	7.46			
[illegible]	1975 [illegible]	OSTERREICHE KONTROLLBANK [illegible]	101 1/8	.42	9.16	8.66			
[illegible]	1975 [illegible]	PHILIPS LAMPS [illegible]	99 3/8	1.70	8.12	7.80			
[illegible]	1975 [illegible]	PHILIPS LAMPS [illegible]	99 1/2	2.08	8.51	8.29			
[illegible]	1975 [illegible]	PHILIPS LAMPS [illegible]	100	.34	9.20	9.50			
[illegible]	1974 [illegible]	PHILIPS LAMPS [illegible]	101 1/8	.12	9.23	10.74			
[illegible]	1977 [illegible]	PIERSON HELDRING PIERSON [illegible]	97 1/4	2.75	8.39	7.46			
[illegible]	1976 [illegible]	PIERSON HELDRING PIERSON [illegible]	102 1/8	2.08	8.82	9.79			
[illegible]	1974 [illegible]	RABOBANK [illegible]	100 1/8	.21	9.69	10.74			
[illegible]	1975 [illegible]	RANK XEROX HOLDINGS [illegible]	101 1/8	1.54	8.37	9.15			
[illegible]	1976 [illegible]	S.N.C.F. [illegible]	101 1/8	3.79	8.74	8.88			
[illegible]	1975 [illegible]	S.N.C.F. [illegible]	100 1/2	1.62	8.60	8.96			
[illegible]	1973 [illegible]	SCHEEPVAART UNIE [illegible]	98 1/8	.87	9.04	6.88			15.00 1977
[illegible]	1977 [illegible]	SCHEEPVAART UNIE [illegible]	96 5/8	2.58	9.75	8.54			
[illegible]	1975 [illegible]	SCHEEPVAART UNIE [illegible]	99 5/8	1.75	9.39	8.27			
[illegible]	1975 [illegible]	[illegible] [illegible]	100	.50	9.27	9.50			
[illegible]	1973 [illegible]	SCOTT EUROPEAN PIPELINE [illegible]	98 1/8	.46	9.11	7.31			12.50 1977
[illegible]	1972 [illegible]	STANDARD BRANDS [illegible]	99 3/8	.17	8.62	6.32			12.50 1976
[illegible]	1976 [illegible]	SWEDISH EXPORT CREDIT [illegible]	98	3.58	8.90	8.42			
[illegible]	1975 [illegible]	SWEDISH INVESTMENT BANK [illegible]	101 1/8	2.58	8.70	9.15			
[illegible]	1972 [illegible]	TEXTRON ATLANTIC [illegible]	99 5/8	.21	8.44	6.78			7.50 1976
[illegible]	1975 [illegible]	THYSSEN INVESTMENT [illegible]	101 5/8	2.70	7.78	8.36			
[illegible]	1976 [illegible]	WORLD BANK [illegible]	101 1/4	3.42	8.23	8.06			
		ZERO COMPOSITE UNITS							
[illegible]	1974 [illegible]	EUROPEAN INVESTMENT BANK [illegible]	111 3/4	9.38	6.30	7.16	[illegible]	[illegible]	[illegible]
[illegible]	1973 [illegible]	EUROPEAN INVESTMENT BANK [illegible]	98 1/4	9.07	6.54	7.44	[illegible]	[illegible]	[illegible]
[illegible]	1972 [illegible]	MET ESTATES & PROP [illegible]	94	9.21	9.76	9.51	[illegible]	[illegible]	[illegible]

INVESTMENT FUNDS

The following funds include Eurobond issues within their portfolios

Quotations & Yields as at 31st August, 1979

SOCIETE GENERALE De BANQUE
BANQUE GENERALE Du LUXEMBOURG

Fund 31/8/79	Price	First Issue Price	Yield %	Div. Date
Rentinvest	LuxFr 859	LuxFr 1000	8.32	20/11/78 (F67)
Capital Rentinvest	LuxFr 1423	LuxFr 1000	(Capitalisation)	

	1/9/78 High	31/8/79 Low	1/9/78 High	31/8/79 Low
Rentinvest	LuxFr	LuxFr 814	LuxFr 918	LuxFr 814
Capital Rentinvest	LuxFr 1430	LuxFr 1352	LuxFr 1430	LuxFr 1126

Publication dates for the AIBD supplement for the remainder of 1979 are:

October 15th
November 12th
December 10th

For details of advertising, contact:
Alan Ogden on
01-248-8000 Ext. 389

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31st AUGUST 1979

WestLB Euro-Deutschmarkbond Quotations and Yields

Advertisement

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment D-mandatory drawing by lot at par S-sinking fund P-purchase fund
8% ADELA 76/83	102.75	7.79	3.58	7.08	1. 4.83
7¼% ADELA 77/82PP	100.25	7.23	2.79	7.13	16. 6.82
7% ADELA 77/82PP	99.50	7.04	2.92	7.19	1. 8.82
6% AEG 66/81	99.00	6.06	0.91	7.12	1. 2.72—81D
7¾% African Dev. Bank 79/86	96.90	8.00	6.75	8.36	1. 6.86
6½% Airport Paris 69/84PP (G)	98.00	6.63	2.43	7.40	1. 3.75—84D
9% AKZO 75/82PP	102.50	8.78	2.42	7.79	1. 2.82
7¾% AKZO 76/83PP	102.00	7.60	3.75	7.11	1. 6.83
6% AKZO 78/84PP	94.00	6.38	4.58	7.58	1. 4.84
6½% AKZO 79/86PP	97.25	6.68	6.50	7.03	1. 3.86
8¼% Alusuisse Int'l. 79/87	103.50	7.97	2.89	6.87	1. 8.81—83D
5½% American Expr. Int'l. 79/87	97.00	5.67	7.37	6.01	15. 1.87
6¾% AMEX Int'l. 77/84PP	100.00	6.75	4.58	6.74	1. 4.84
10% A.P.E.L. 74/81 (G)	103.00	9.71	1.23	7.30	1.12.77—81D
7¾% ARBED Finance 76/83PP	100.50	7.71	4.17	7.59	1.11.83
6¾% ARBED Finance 77/87	96.25	7.01	7.75	7.40	1. 6.83—87S
8¾% Ardal-Sunndal 75/81PP	101.75	8.60	1.83	7.66	1. 7.81
6¾% Ardal-Sunndal 77/89PP	94.50	7.14	8.13	7.91	1. 7.82—89D
7% Argentine 67/79	99.75	7.02	0.25	7.84	due 1.12.79
8% Argentine 69/79	99.85	8.01	0.25	8.71	due 1.12.79
7½% Argentine 77/84	100.50	7.46	5.08	7.37	1.10.84
6½% Argentine 78/85	93.25	6.97	5.50	8.05	1. 3.85
6½% Argentine 78/88	90.75	7.16	7.09	8.27	1.11.84—88D
7½% Argentine 79/89	95.00	7.89	9.67	8.26	1. 5.85—89S
7% Asian Dev. Bk. 69/84	100.50	6.97	2.83	6.92	1. 9.75—84S
8½% Asian Dev. Bk. 75/80PP	100.50	8.46	1.21	8.00	16.11.80
8% Asian Dev. Bk. 76/82	102.50	7.80	2.50	6.85	1. 3.82
7¾% Asian Dev. Bk. 76/83PP	100.00	7.75	3.58	7.73	1. 4.83
7% Asian Dev. Bk. 77/85	99.00	7.07	5.58	7.21	1. 4.85
5½% Asian Dev. Bk. 78/88	88.50	6.21	8.67	7.33	1. 5.88
7¼% Asian Dev. Bk. 79/89	98.75	7.34	9.82	7.43	1. 8.89
9½% ASKO 75/80PP	100.00	9.50	0.58	9.51	1. 4.80
7½% Aumar 73/88 (G)	102.50	7.32	4.19	6.92	1. 2.79—88D
9% Aumar 76/84 (G)	102.50	8.78	2.88	7.89	15. 8.77—84S
7¾% Aumar 77/84 (G)	101.00	7.67	4.83	7.49	1. 7.84
6½% Australia 67/82	101.75	6.39	2.15	5.60	1.11.72—82S
6¾% Australia 68/83	101.00	6.68	2.38	6.39	1. 8.74—83S
6½% Australia 69/84	101.50	6.40	2.38	5.89	1. 2.75—84S
7¼% Australia 69/84	102.00	7.11	3.10	6.63	1.11.75—84S
7% Australia 72/87	102.00	6.86	3.85	6.40	1. 2.78—87S
10% Australia 74/80	104.00	9.62	1.08	6.05	1.10.80
9% Australia 75/82	106.00	8.49	2.42	6.22	1. 2.82
8¼% Australia 75/82 I PP	104.75	7.88	2.58	6.18	1. 2.82
8¼% Australia 75/82 II PP	104.00	7.93	2.67	6.64	1. 5.82
7¼% Australia 76/83	103.00	7.04	3.50	6.25	1. 3.83
5¼% Australia 77/82PP	97.00	5.41	3.08	6.35	1.10.82
5¾% Australia 77/89	94.00	6.12	10.17	6.57	1.11.85—89S
6% Australia 78/88	96.90	6.19	9.00	6.47	1. 9.88
6¾% Austr. Ind. Dev. Corp. 72/87	99.25	6.80	4.49	6.94	1.11.78—87D
8% Austr. Ship. Com. 76/83PP (G)	101.50	7.88	4.00	7.55	1. 9.83
7% Rep. of Austria 68/2	101.00	6.93	1.58	6.41	1. 4.73—82S
6½% Rep. of Austria 69/83	100.25	6.48	2.04	6.46	1. 4.75—83S
9¾% Rep. of Austria 74/80PP	102.00	9.56	1.17	7.84	1.11.80
9¾% Rep. of Austria 74/81PP	103.50	9.42	2.25	7.95	1.12.81
9½% Rep. of Austria 75/80PP	100.25	9.48	0.42	8.62	1. 2.80
8¼% Rep. of Austria 75/81PP	100.75	8.19	1.25	7.74	1. 6.81
8¾% Rep. of Austria 75/82PP	102.50	8.54	1.56	6.96	1. 4.79—82D
9% Rep. of Austria 75/83	104.50	8.61	3.42	7.44	1. 2.83
8¾% Rep. of Austria 75/83PP	102.75	8.52	2.04	7.21	1. 4.79—83D
8½% Rep. of Austria 75/87	104.50	8.13	4.18	7.20	1. 5.78—87S
7¾% Rep. of Austria 76/86	105.25	7.38	5.13	6.50	2. 5.83—86S
6¾% Rep. of Austria 77/85	100.25	6.73	4.70	6.67	1. 4.83—85S
7% Rep. of Austria 77/87PP	100.25	6.98	5.27	6.93	1. 1.83—87D
6¾% Rep. of Austria 77/87PP	98.50	6.85	7.42	7.01	1. 2.83—87D
6% Rep. of Austria 77/87PP	93.50	6.42	6.95	7.47	1. 9.84—87D
5¾% Rep. of Austria 78/88PP	91.50	6.28	6.80	7.38	16. 7.84—88D
5¾% Rep. of Austria 78/90	90.25	6.37	11.17	7.04	1.11.85—90D
6¼% Rep. of Austria 79/89PP	93.50	6.68	6.81	7.49	1. 2.84—89D
7% Autopistas Catluna 78/85PP	97.50	7.18	5.57	7.67	16. 1.85
7¼% Autopistas Espanola 69/84 (G)	100.75	7.20	2.78	7.08	1. 7.73—84S
8% Autopistas Espanola 71/86 (G)	101.25	7.90	3.39	7.77	1.10.77—86D
6¾% Autopistas Espanola 72/87 (G)	97.00	6.96	3.84	7.68	1.10.78—87D
7¼% Autopistas Espanola 79/85PP (G)	98.25	7.38	5.50	7.64	1. 3.85
7¼% Banco N. Desarrollo 79/89 (G)	94.75	7.65	6.50	8.31	1. 3.86

WestLB SD-Certificates (Schuldschein-Index)

4 years maturity: 7.60% 5 years maturity: 7.70%

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment
8% Banco N. Obras 71/86 (G)	102.00	7.84	4.02	7.66	1.11.77—86S
9% Banco N. Obras 76/81 (G)	103.75	8.67	2.00	6.93	1. 9.81
7¼% Banco N. Obras 77/82PP (G)	99.25	7.36	2.96	7.54	16. 8.82
7% Banco N. Obras 77/82PP (G)	99.50	7.04	3.12	7.17	16.10.82
7% Banco N. Obras 77/84 (G)	99.05	7.07	5.08	7.23	1.10.84
5¾% Bk. America Overs. Fin. 78/90	93.25	6.37	11.17	6.82	1.11.90
6% Bank of Tokyo 78/88PP	97.00	6.19	8.42	6.58	1. 2.88
7½% Banque Ext. Algerie 77/83	97.50	7.69	4.22	8.22	15.10.81—83D
7¼% Banque Ext. Algerie 78/85	93.50	7.75	6.14	8.87	1.11.83—85D
7¼% Banque Nat. Algerie 78/83	96.50	7.51	3.50	8.42	1. 3.83
6¾% Barclays Overs. Inv. 79/89	99.00	6.82	9.67	6.89	1. 5.89
8% Barlow Rand Inv. 78/82 I PP	99.00	8.08	2.96	8.39	15. 8.82
8% Barlow Rand Inv. 78/82 II PP	99.00	8.08	3.04	8.39	15. 9.82
6% BASF 65/80	104.10	5.76	1.08	2.13	1.10.71—80D
7½% BEC Finance 78/83PP	100.50	7.46	4.17	7.35	1.11.83
8% Beecham Fin. 76/83	103.30	7.74	4.17	7.05	1.11.83
10% Bergen 74/79	100.00	10.00	0.25	9.92	due 1.12.79
8¾% Bergen 75/85	105.00	8.33	3.60	7.11	1. 5.81—85D
7¼% Bergen 77/89	100.35	7.20	6.19	7.06	1. 2.81—89D
8¼% BFCE 75/83 (G)	103.70	7.99	2.81	6.76	1. 7.81—83S
8¼% BFCE 76/84 (G)	104.00	7.93	3.81	7.01	1. 7.82—84S
7% BFCE 77/87 (G)	100.50	7.00	7.42	6.99	1. 2.83—87S
5¾% BFCE 78/88 (G)	93.50	6.28	8.37	7.32	15. 1.88—88S
8½% BNDE 77/87	101.30	8.34	4.97	8.00	1. 4.83(82-87)
6¾% BNDE 78/86	93.25	7.24	6.80	8.11	1. 3.86
9% Borregaard 76/81PP	101.75	8.85	1.67	7.79	1. 5.81
6½% Borregaard 77/84PP	96.50	6.74	6.08	7.35	1.10.84
8½% Brascan Int'l 73/88	102.30	8.31	5.02	7.82	1.10.78—88S
6¾% Brazil 72/87	96.00	7.03	8.08	7.42	1.10.78—87S
8¾% Brazil 76/86	103.50	8.45	4.08	7.71	1.10.82(80-86)
7¾% Brazil 77/84	101.25	7.65	4.67	7.41	1. 5.84
6¾% Brazil 78/86	97.90	6.92	6.42	7.31	1. 2.86
7¼% Brazil 79/87	96.90	7.48	7.33	7.81	1. 1.87
8% Brazil 79/87	100.50	7.90	7.92	7.91	1. 8.87
6¾% Brenner 68/83 (G)	101.00	6.68	2.38	6.39	1. 8.74—83S
5½% British Petrol 65/80	98.15	5.60	0.75	8.08	1. 6.80
5¾% Bruxelles-Lambert 77/84PP	92.00	6.25	5.29	7.63	15.12.84
8½% Burmah Oil 70/85	102.75	8.27	3.56	7.74	1.11.76—85D
4¾% Canada 78/83	95.00	5.00	3.72	6.39	20. 5.83
5% Canada 78/84	95.50	5.24	4.69	6.12	10. 5.84
6% Carlsberg-Tuborg 7/87PP	92.75	6.47	6.25	7.19	1.12.85—87D
8½% C.C.C.E. 75/85 (G)	104.00	8.17	3.81	7.15	1. 4.81—85D
8½% C.C.C.E. 76/86 (G)	105.00	8.10	5.29	7.32	1. 7.83—86D
7% C.C.C.E. 77/89 (G)	99.75	7.02	6.58	7.00	1. 4.81—89D
6½% C E C A 65/83	98.25	6.60	2.04	6.42	1. 4.71—83D
7½% C E C A 71/86	102.75	7.30	3.54	6.59	1. 5.77—88D
6½% C E C A 72/87	97.50	6.67	4.15	7.21	1. 7.78—87D
7% C E C A 72/88	100.00	7.00	4.11	6.98	2. 1.79—88D
6½% C E C A 73/88	97.75	6.65	4.38	7.10	1. 4.79—88D
7¾% C E C A 73/88	114.00	6.80	5.02	4.56	1.11.79—88D
10% C E C A 74/79 II PP	104.00	9.62	2.00	7.76	due 1. 9.79
9¾% C E C A 74/81	105.10	9.28	2.25	7.18	1. 9.81
8% C E C A 75/80PP	100.00	8.00	1.25	7.95	1.12.81
8½% C E C A 75/82PP	101.50	8.37	2.50	7.78	1.12.80
8% C E C A 75/82	105.00	7.62	3.29	6.25	1. 3.82
8½% C E C A 75/85	104.00	8.17	2.99	6.94	15.12.82
8% C E C A 76/81PP	100.25	7.98	2.29	7.95	1. 4.78—85D
7¾% C E C A 76/83	102.75	7.54	4.08	6.95	15.12.81
7¾% C E C A 76/86	104.00	7.45	5.02	6.78	1.10.83
6% C E C A 78/88	94.00	6.38	9.17	6.90	1.10.82—86D
5¼% C E C A 78/90	88.25	5.95	8.40	7.15	1.11.88
6% C E C A 78/90PP	90.50	6.63	7.22	7.76	1. 4.85—90D
7% C E C A 79/91	98.80	7.09	8.99	7.18	1. 8.83—90D
7¾% C.E.D. South Africa 78/82PP (G)	99.12	7.82	2.89	8.09	16. 4.84—91D
6½% CERGA 73/81PP	98.50	6.60	1.58	7.60	20. 7.82
7% CESP 77/87 (G)	97.00	7.22	6.17	7.50	1. 4.81
6½% Charter Cons. Overs. 68/83	99.00	6.57	4.08	6.80	1.11.83(82-87)
6% Chase Manhattan Ov. 78/93	93.90	6.39	14.00	6.68	1.10.72—83S
7% Chrysler 69/84	90.30	7.75	4.93	9.78	1. 9.84—93S
6¾% CIBA-GEIGY ex. w. 75/85PP	101.50	6.65	6.08	6.44	1. 7.75—84S
6½% C.N. Autoroutes 69/84 (G)	100.00	6.50	2.44	6.48	1.10.85
9½% C.N. Autoroutes 75/82 (G)	103.25	9.20	2.37	7.91	1. 3.75—84D
6½% C.N. Energie 69/84PP (G)	99.25	6.55	3.35	6.83	16. 1.82
6½% C.N. Telecom. 68/83 (G)	100.75	6.45	2.63	6.17	1. 2.75—84D
8½% C.N. Telecom. 70/85 (G)	103.25	8.23	3.48	7.38	1.11.74—83S
7¼% C.N. Telecom. 76/83 (G)	101.80	7.12	3.62	6.66	1.10.76—85S
6¼% C.N. Telecom. 79/87 (G)	98.25	6.49	7.50	6.90	16. 4.83
7¾% Comalco 71/86	101.00	7.67	3.79	7.58	1. 3.87
7% Com. Fed. Electr. 77/82PP	98.75	7.09	3.00	7.48	1. 6.77—86S
8% Com. Fed. Electr. 77/84	102.25	7.82	4.75	7.41	1. 9.82
7¼% Com. Fed. Electr. 77/85	100.30	7.23	4.62	7.18	1. 6.84
6¾% Com. Fed. Electr. 78/88	97.00	6.96	6.51	7.33	1.11.82—85D
5% Commerzbank Int'l. 79/84PP	96.00	5.21	4.33	6.07	1. 4.84—88D
4¼% Comp. F. Deutsche Bk. 78/83PP	94.00	4.65	3.67	6.25	1. 1.84
5% Comp. F. Deutsche Bk. 78/84PP	97.00	5.15	4.33	5.79	1. 5.83
8½% Comp. Franc. Petr. 75/85	104.00	8.17	3.39	7.07	1. 1.84
6½% Comp. Franc. Petr. 77/84	101.00	6.44	4.83	6.25	1. 5.80—85S
8½% Consorzio 76/91 (G)	103.00	8.25	5.40	7.96	1. 7.84
5¾% Copenhagen 64/84	98.00	5.87	5.29	6.20	1. 1.77—91D
7% Copenhagen 68/83	100.00	7.00	3.67	7.12	15.12.70—84D
6¾% Copenhagen 69/84	99.60	6.78	4.75	6.96	2. 5.72—83S
7¾% Copenhagen 71/86	100.50	7.71	3.62	7.73	1. 6.75—84S
7½% Copenhagen 76/86	100.35	7.47	5.07	7.40	1. 4.77—86S
6% Copenhagen 78/90	91.50	6.56	11.17	7.13	1.12.81—86S
6½% Council of Europe 73/81PP	98.75	6.58	1.67	7.29	1.11.81—90S
7% Council of Europe 73/88	98.75	7.09	4.60	7.32	1. 5.81
9½% Council of Europe 75/82PP	104.50	9.09	2.42	7.36	1. 7.79—88D
8½% Council of Europe 76/83	103.50	8.21	1.88	6.43	1. 2.82
7¾% Council of Europe 76/83	103.50	7.49	2.13	5.93	1. 2.79—83D
7% Council of Europe 76/83	100.25	6.98	4.25	6.92	1. 5.80—83D
6¼% Council of Europe 77/87	94.75	6.60	6.10	7.34	1.12.83
6¼% Council of Europe 78/88PP	93.00	6.72	6.83	7.58	1.11.83—87D
6½% Council of Europe 78/88	94.50	6.48	8.64	7.19	1. 7.88
6¼% Council of Europe 78/88 II	94.00	6.65	9.17	7.16	16. 5.84—88D
6¼% Council of Europe 78/88 III	93.75	6.67	9.17	7.20	1.11.84—88D
7¼% Council of Europe 79/89	99.25	7.30	6.52	7.39	1.11.84—88D
6½% Courtaulds Int'l. 72/87	98.00	6.63	7.83	6.83	1. 5.83—89D
6% Credit National 77/87 (G)	98.40	6.22	8.08	6.59	1. 7.80—87S
5¾% Credit National 78/83PP (G)	96.50	5.96	4.00	6.78	1.10.83—87S
6½% Credit National 78/89 (G)	96.75	6.72	7.56	7.06	1. 6.83
9% CVRD 76/84	103.75	8.67	3.39	7.67	16. 4.85—89D
8½% CVRD 76/86	102.25	8.31	4.70	6.99	1. 2.81(82-84)
8% Daimler-Benz 70/85	104.25	7.67	3.57	6.75	1.12.82(83-86)
5½% Daishowa Paper 78/83PP	92.00	5.98	3.92	7.95	1.11.78—85D
6% Danish Export 77/82PP	97.50	6.15	2.14	7.29	1. 8.83
5¾% Danish Export 78/83PP	97.00	5.93	2.21	7.26	1.11.78—82D
8¼% Den Danske Bk. 76/86	104.75	7.88	6.50	7.17	1. 6.79—83D
6½% Denmark 68/80PP	99.00	6.57	1.08	7.61	1.11.82—86S
7% Denmark 69/84	100.10	6.99	2.85	7.08	1.10.72—80D
6¼% Denmark 72/87	99.40	6.79	8.25	6.84	1. 8.75—84S
8¼% Denmark 74/89	105.30	8.78	6.14	7.93	1.12.78—87S
8¼% Denmark 76/82	103.00	8.01	2.42	6.83	1. 3.80—89S
8% Denmark 76/82	102.75	7.79	3.00	6.95	1. 2.82
6¾% Denmark 77/83	99.75	6.77	3.71	6.81	1. 9.82
7¼% Denmark 77/87	100.45	7.22	7.71	7.16	16. 5.83
6¼% Denmark 78/84	94.75	6.54	4.42	6.65	16. 5.87
6% Denmark 78/88	93.25	6.43	8.42	7.08	1. 2.84
					1. 2.88

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment D-mandatory drawing by lot at par S-sinking fund P-purchase fund
5¾% Denmark 79/85	94.65	6.08	5.42	6.96	1. 2.85
6½% Denmark 79/89	95.00	6.84	9.42	7.24	1. 2.89
6¾% Den Norske Ind. 77/89 (G)	98.00	6.89	4.96	7.23	1. 6.80—89D
6% Den Norske Ind. 78/90 (G)	93.25	6.43	6.98	7.26	1. 5.83—90D
6½% District Paris 69/84 (G)	99.25	6.58	4.58	6.68	1. 4.75—84D
7¼% E E C 76/83	102.50	7.07	3.58	6.43	1. 4.83
7% Eletrobras 77/87 (G)	97.25	7.20	8.00	7.47	1. 9.83(83-87)
6¾% Eletrobras 78/86 (G)	94.35	7.15	6.68	7.87	1. 4.86
7% Eletrobras 79/87 (G)	94.75	7.39	7.42	7.95	1. 2.87
5¼% Elf Aquitaine 78/88	90.50	5.80	7.68	6.88	15. 5.86—88D
5¾% Elf Norge 77/80PP	98.75	5.82	0.62	7.79	16. 4.80
5¾% Elkem 78/88PP	89.00	6.46	6.67	7.93	1. 6.84—88D
6% ENEL 65/80 (G)	99.50	6.03	0.83	6.72	1. 7.80
6¾% Ericsson 72/87	99.50	6.78	7.50	6.83	1. 3.78—87S
8¾% ESAB 76/81PP	101.00	8.66	1.42	7.91	1. 2.81
6½% ESCOM 65/80 (G)	100.25	6.48	1.08	6.24	1.10.71—80D
6½% ESCOM 68/83 (G)	96.70	6.72	2.00	8.35	1.10.74—83D
8½% ESCOM 70/85 (G)	102.25	8.31	2.98	7.60	1. 4.76—85D
8% ESCOM 71/86 (G)	102.00	7.84	3.36	7.45	1. 3.77—86D
6¼% ESCOM 72/87 (G)	94.75	6.60	4.31	7.73	1. 9.78—87D
7% ESCOM 73/88 (G)	96.00	7.29	4.41	8.10	1. 5.79—88D
8¼% ESCOM 75/80 (G)	101.70	8.10	0.82	7.24	1. 8.80
8% ESCOM 78/81 I PP (G)	99.25	8.06	0.86	8.84	15. 1.80—81D
8% ESCOM 78/81 II PP (G)	99.00	8.08	0.91	9.10	1. 2.80—81D
8¼% ESCOM 78/81PP (G)	100.00	8.25	1.42	8.19	1. 2.81
8% ESCOM 78/84PP (G)	98.00	8.16	5.17	8.48	1.11.84
8¾% ESCOM 79/84 IPP (G)	100.75	8.68	4.92	8.56	1. 8.84
8¾% ESCOM 79/84 IIPP (G)	100.75	8.68	4.92	8.56	1. 8.84
7¾% ESTEL 73/88	101.25	7.65	4.87	7.43	1. 8.79—88S
8½% ESTEL 76/85	104.00	8.17	4.08	7.32	1. 6.81—85S
8½% ESTEL 76/83PP	103.50	8.21	3.50	7.31	1. 3.83
6½% ESTEL 77/84PP	93.00	6.99	5.17	8.21	1.11.84
6¼% ESTEL 77/84PP	93.00	6.72	4.22	8.27	1.12.82—84D
6¼% ESTEL 78/85PP	92.00	6.79	6.08	7.98	1.10.85
7¾% ESTEL 79/86PP	101.12	7.66	6.82	7.54	1. 8.86
5¾% Euratom 77/87	91.00	6.32	8.17	7.24	1.11.87
6¼% Euratom 79/91PP	92.00	6.79	7.74	7.66	8. 2.84—91D
6% Eurofima 65/80	99.50	6.03	1.25	6.40	1.12.68—80D
6½% Eurofima 67/83	101.00	6.44	2.46	6.05	1. 9.71—83D
6¼% Eurofima 72/87	99.00	6.31	4.33	6.52	1. 9.78—87D
6½% Eurofima 73/88	98.25	6.62	4.28	6.97	1. 3.77—88D
8% Eurofima 73/88	104.25	7.67	4.86	6.94	1.10.77—88D
10% Eurofima 74/79PP	100.00	10.00	0.25	9.63	due 1.12.79
9% Eurofima 75/85	105.00	8.57	3.85	7.24	1. 2.81—85D
8% Eurofima 76/83	104.50	7.66	3.42	6.47	1. 2.83
6¾% Eurofima 77/87PP	96.50	6.99	5.34	7.56	1. 2.83—87D
5½% Eurofima 78/88	93.60	5.88	5.86	6.89	16. 2.84—88D
5½% Eurofima 78/88PP	91.50	6.01	7.62	6.97	1.11.85—88D
6½% Eurofima 79/89	98.75	6.58	7.35	6.71	1. 2.85—89D
6% Europ. Inv. Bank 69/84	98.50	6.09	2.43	6.79	1. 3.75—84D
7% Europ. Inv. Bank 69/84	101.00	6.93	3.10	6.74	1.11.75—84D
8% Europ. Inv. Bank 70/80	101.25	7.90	0.67	6.14	2. 5.80
7½% Europ. Inv. Bank 71/86	102.25	7.33	3.37	6.86	1. 3.77—86D
7¾% Europ. Inv. Bank 71/86	102.25	7.58	3.95	7.07	1.10.77—86D
6½% Europ. Inv. Bank 72/87	99.36	6.54	5.83	6.68	1. 3.78—87D
6% Europ. Inv. Bank 72/87	95.25	6.30	4.31	7.32	1. 9.80—87D
6¾% Europ. Inv. Bank 73/88	99.50	6.78	8.42	6.82	1. 2.79—88S
7% Europ. Inv. Bank 73/88	99.75	7.02	8.93	7.03	1. 7.79—88S
10% Europ. Inv. Bank 74/81PP	104.75	9.55	2.00	7.38	1. 9.81
8% Europ. Inv. Bank 75/80	101.78	7.86	1.25	6.46	1.12.80
9½% Europ. Inv. Bank 76/83	104.50	9.09	2.31	7.28	1. 1.81—83D
8% Europ. Inv. Bank 76/83	103.75	7.71	2.30	6.18	1. 7.80—83D
7¾% Europ. Inv. Bank 76/83PP	102.75	7.54	4.08	6.98	1.10.83
6¾% Europ. Inv. Bank 76/84	100.00	6.75	3.71	6.74	1.12.81—84D
6% Europ. Inv. Bank 77/89	94.25	6.37	6.24	7.17	1. 8.82—89D
6% Europ. Inv. Bank 78/88 I PP	92.00	6.52	6.82	7.25	1. 8.88
6% Europ. Inv. Bank 78/88 II PP	91.50	6.56	9.21	7.29	15.11.88
5¾% Europ. Inv. Bank 78/90	87.75	5.98	8.31	7.28	1. 3.85—90D
6% Europ. Inv. Bank 78/90	90.65	6.62	11.08	7.25	1.10.90P
7½% Europ. Inv. Bank 79/89	101.05	7.42	9.75	7.34	1. 6.89
7½% Europ. Inv. Bank 79/89PP	100.40	7.00	9.92	7.57	1. 8.89
6½% Europ. Inv. Bank 79/91	94.65	6.87	11.32	7.20	1. 1.91P
8¼% Europistas 71/86 (G)	105.25	7.84	3.29	6.56	1. 2.77—86D
8% Europistas 72/87 (G)	105.90	7.55	3.87	5.27	1. 1.78—87D
7½% Fin.Inst.f.Dan.Ind. 76/81PP	100.25	7.48	1.37	7.26	1.12.78—81S
6% Finland 64/80	99.60	6.02	0.34	7.32	2. 1.80
7% Finland 68/83	100.00	7.00	2.21	7.11	1. 6.72—83D
6¾% Finland 68/83	99.50	6.78	2.71	7.07	1.12.72—83D
7% Finland 69/84	100.00	7.00	2.80	7.12	2. 5.73—84D
7½% Finland 69/84	101.50	7.39	3.02	7.08	1.10.73—84D
7% Finland 72/87	99.90	7.01	7.58	7.14	1. 4.78—87S
8% Finland 76/84	103.80	7.71	3.21	6.63	1. 6.81—84S
5½% Finland 78/83PP	93.00	5.91	3.42	7.90	1. 2.83
6% Finland 78/83	97.75	6.14	4.35	6.61	1.12.83
5¾% Finland 78/88	91.85	6.26	6.42	7.38	1. 2.88
7½% Finn. Kommunal 66/81 (G)	100.00	7.50	1.23	7.63	1.12.72—81D
8% Finn. Kommunal 71/83 (G)	102.00	7.84	2.13	7.08	2. 5.76—83D
8¼% Forsmarks 76/83 (G)	102.50	8.05	2.29	7.01	1. 7.80—83D
5¾% Forsmarks 78/90 (G)	91.75	6.27	6.69	7.35	16. 1.83—90D
7½% Francetel 76/83 (G)	102.25	7.33	4.12	6.85	16.10.83
6¾% Francetel 77/84PP (G)	99.50	6.78	4.58	6.97	1. 4.84
7% Fuji Heavy 76/81PP	99.75	7.02	2.25	7.10	1.12.81
9¼% Gen. Zbk. Vienna 76/82PP	103.00	8.98	2.50	7.84	1. 3.82
8½% Gen. Zbk. Vienna 76/83PP	102.00	8.33	2.91	7.68	1. 2.83—83D
6% Gen. Zbk. Vienna 77/87	94.40	6.36	6.18	7.14	1.12.83—87D

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment
9¾% Giroz. Vienna 74/79PP	100.25	9.73	0.25	8.39	due 1.12.79
9¾% Giroz. Vienna 74/80PP	102.25	9.54	1.25	7.73	1.12.80
7% Giroz. Vienna 76/81	102.60	6.82	2.17	5.68	1.11.81
7¼% Giroz. Vienna 76/83	101.75	7.13	4.17	6.74	1.11.83
5½% Giroz. Vienna 77/82	96.60	5.69	3.08	6.76	1.10.82
5¾% Giroz. Vienna 78/86PP	92.75	6.20	7.08	7.08	1.10.86
6¾% Giroz. Vienna 79/84PP	99.75	6.89	4.96	6.93	16. 8.84
6% G.I.S. 78/83PP	96.50	6.22	3.50	7.18	1. 3.82—83D
9¾% Goeteborg 75/85PP	103.75	9.40	3.34	8.38	1. 2.81—85D
7% Grand Metrop. Fin. 77/84	99.30	7.05	4.92	7.17	1. 8.81—84S
8% Guest-Keen-Nettl. 76/83	102.90	7.77	3.67	7.08	2. 5.83
6¾% Hamersley Iron 72/87	100.00	6.75	7.83	6.74	1. 7.78—87S
8% Hazama-Gumi 76/81PP	101.00	7.92	1.75	7.34	1. 6.81
7% Helsinki 68/83	100.00	7.00	3.83	7.12	1. 7.72—83S
7% Hitachi Cable 77/82PP	99.00	7.07	2.33	7.46	1. 1.82
5¾% Hitachi Shipbldg. 78/83	96.00	5.99	4.29	6.85	16.12.83
8¾% IAKW. Vienna 75/85 (G)	103.00	8.50	3.06	7.59	1. 5.80—85D
7¼% Iceland 69/84	100.50	7.21	2.60	7.15	1. 5.73—84S
7¾% Iceland 77/87	101.15	7.66	4.34	7.41	1. 4.80—87S
5½% I C I Int'l. 72/92	90.00	6.63	12.50	6.74	1. 3.78—92S
7½% I C I Int'l. 76/86	103.75	7.23	6.33	6.73	1.12.84—86D
6¾% I C I Int'l. 77/87	100.75	6.70	6.13	6.59	1. 5.84—87D
8% ICIPU 71/91 (G)	101.00	7.92	5.38	7.92	1. 1.77—91D
8% Imatran Voima 72/87 (G)	101.75	7.86	3.83	7.60	1. 1.78—87S
7% Indonesia 78/84	95.50	7.33	5.08	8.11	1.10.84
7¼% Ind.Dev.C.South-Afr. 78/82PP (G)	98.73	7.85	2.67	8.28	1. 5.82
8% Ind.Dev.C.South-Afr. 78/83PP (G)	99.00	8.08	3.83	8.30	1. 7.83
6½% Industr. Bk. Japan 73/80PP	98.75	6.58	0.75	8.22	1. 6.80
6½% Industr. Bk. Japan 73/81PP	98.76	6.58	1.67	7.29	1. 5.81
5% Industr. Bk. Japan 78/84	93.75	5.33	4.33	6.70	1. 1.84
7½% Ind. Min. Dev. Iran 73/85	82.50	9.09	5.67	11.90	1. 5.77—85S
7¾% Ind. Min. Dev. Iran 77/87	82.00	9.45	7.83	11.32	1. 7.83—87S
6½% Ind. Min. Dev. Iran 78/84	79.00	8.18	5.04	13.21	16. 9.84
6¾% Ind. Mtgebk. Finl. 68/80 (G)	99.80	6.76	1.17	7.04	1.11.73—80D
8% Ind. Mtgebk. Finl. 71/86 (G)	101.25	7.90	3.56	7.73	1.12.77—86D
7% Ind. Mtgebk. Finl. 72/87 (G)	99.15	7.06	4.15	7.37	1. 7.78—87D
6¾% Int. Am. Dev. Bank 68/83	100.00	6.75	3.83	6.86	1. 7.72—83S
7% Int. Am. Dev. Bank 69/84	100.50	6.97	2.85	6.92	1. 8.75—84S
8½% Int. Am. Dev. Bank 70/85	103.60	8.20	3.40	7.42	1. 9.76—85S
6¾% Int. Am. Dev. Bank 72/87 I	99.50	6.78	7.75	6.83	1. 6.78—87S
6¾% Int. Am. Dev. Bank 72/87 II	99.50	6.78	8.17	6.83	1.11.78—87S
8% Int. Am. Dev. Bank 76/83PP	101.50	7.88	3.46	7.47	16. 2.83
8¼% Int. Am. Dev. Bank 76/83PP	102.00	8.09	3.83	7.62	1. 7.83
7% Int. Am. Dev. Bank 77/87	97.80	7.16	7.33	7.38	1. 1.83—87S
6¼% Int. Am. Dev. Bank 78/88	93.10	6.71	8.33	7.38	1. 1.88
7¾% Int. Am. Dev. Bank 79/86	102.25	7.58	6.83	7.31	1. 7.86
8% Int. Am. Dev. Bank 79/89PP	102.00	7.84	9.87	7.70	15. 7.89
6¾% Int'l. Com'l. Bank 73/83	99.00	6.82	2.21	7.23	1. 6.79—83D
8¼% Ireland 76/81	102.00	8.09	1.33	6.59	1. 1.81
7½% Ireland 79/87PP	100.00	7.50	7.67	7.49	1. 5.87
7¼% ISCOR 71/86 (G)	98.25	7.38	6.76	8.26	1. 6.77—86D
7% ISCOR 72/87 (G)	94.75	7.39	7.85	8.81	1. 4.78—87D
7% ISCOR 73/88 (G)	94.00	7.45	4.22	8.74	1. 3.79—88D
8½% ISCOR 73/88 (G)	101.75	8.35	4.01	8.04	1.11.79—88D
8¼% ISCOR 77/80 I PP (G)	99.75	8.27	1.04	8.50	16. 9.79—80D
8¼% ISCOR 77/80 II PP (G)	99.75	8.27	1.28	8.40	16.12.79—80D
7¾% ISCOR 78/82PP (G)	98.50	7.87	2.07	8.53	1. 4.81—82D
8¼% ISCOR 78/84PP (G)	99.00	8.33	5.12	8.48	16.10.84
7% Japan 68/83	104.00	6.73	1.97	4.91	1. 3.72—83S
7¼% Japan Dev. Bank 76/83 (G)	101.75	7.13	3.58	6.67	1. 4.83
8% Johannesburg 71/86 (G)	102.25	7.82	3.86	7.31	1. 9.77—86D
6¼% Johannesburg 72/87 (G)	93.60	6.68	4.30	8.07	1. 9.78—87D
7¾% Johannesburg 78/82PP (G)	98.75	7.85	2.66	8.26	30. 4.82
7¼% Jydsk Telefon 69/84	103.50	7.00	2.98	6.04	15. 9.75—84S
6¾% Jydsk Telefon 72/87	97.75	6.91	7.50	7.14	1. 3.78—87D
7¼% Jydsk Telefon 73/88	99.50	7.29	8.42	7.32	1. 2.79—88D
9% Jydsk Telefon 75/82PP	103.25	8.72	2.83	7.66	1. 7.82
6¾% Kansai Electric 69/84	100.50	6.72	2.44	6.63	1. 3.75—84S
7¾% Kansai Electric 71/86	101.50	7.64	3.53	7.23	1. 5.77—86S
5¾% KELAG 73/88	98.50	5.85	8.87	6.98	1. 5.79—88S
6¾% KHD Finance 72/87	99.70	6.77	7.67	6.79	2. 5.78—87S
7¼% Kjobenhavns H.Bank 76/83PP	99.25	7.43	4.25	7.57	1.12.83
7½% Kjobenhavns Tel. 72/87	101.25	7.41	3.86	7.24	2. 1.78—87S
7% Kjobenhavns Tel. 72/87	99.50	7.04	7.67	7.08	1. 5.78—87S
6½% Kjobenhavns Tel. 73/88	97.35	6.68	8.58	6.91	1. 4.79—88S
5% KLM Royal Dutch Airl. 78/85PP	95.00	5.26	3.07	6.85	1. 5.79—85D
7% Kobe 68/83 (G)	101.75	6.88	2.21	6.23	1. 6.72—83S
6¾% Kobe 69/84 (G)	100.00	6.75	4.67	6.96	1. 5.73—84S
7¾% Kobe 71/86 (G)	102.10	7.59	3.47	7.03	1. 2.77—86S
6¾% Kobe 72/87 (G)	100.00	6.75	7.67	6.74	1. 5.78—87S
8¼% Kobe 75/80PP (G)	100.25	8.23	0.75	7.81	1. 6.80
7½% Kobe 75/83 (G)	102.00	7.35	3.75	6.88	1. 6.83
6½% Kobe 77/87 (G)	99.75	6.52	7.76	6.54	1. 6.87
5¾% Kobe 78/88 (G)	94.75	6.07	6.03	6.73	1. 7.88
7¾% Kommunl. Inst. 76/83	101.25	7.65	2.56	7.17	1. 4.81—83D
8% Kommunl. Inst. 76/84	101.75	7.86	3.42	7.39	15.10.77—84D
7¼% Korea Dev. Bank 77/84 (G)	97.50	7.44	5.26	7.84	1.12.84
5¼% Kubota Int'l. 77/82PP	96.00	5.47	2.74	6.88	1.12.81—82D
5¾% Kvaerner Ind. 78/88PP	92.00	6.25	6.43	7.35	1. 3.84—88D
8½% Light-Servicos 77/82 (G)	102.50	8.29	2.50	7.34	1. 3.82
6¾% Light-Servicos 78/86 (G)	93.40	7.23	6.67	8.08	1. 5.86
10% Lonza Int'l. 74/79PP	100.25	9.98	0.17	8.09	due 1.11.79
8¼% Lonza Int'l. 76/80PP	100.25	8.23	0.71	7.78	15. 6.80
6½% Lufthansa Int'l. 79/86PP	99.75	6.52	6.80	6.54	1. 3.86
7% Malaysia 72/84	99.00	7.07	2.69	7.41	1. 6.75—84D
6½% Malaysia 77/85	95.00	6.84	6.00	7.57	1. 9.85
9¼% Malmoe 75/84	103.75	8.92	2.87	7.71	1. 2.81—84D
8¼% Malmoe 76/83	102.00	8.09	1.98	7.08	1. 3.80—83D
6¼% Manitoba 77/84	95.60	6.53	4.83	6.59	1. 7.84

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment D-mandatory drawing by lot at par S-sinking fund P-purchase fund
6¾% Manit. Hydro El. 72/87	100.00	6.75	7.75	6.74	1. 6.78—87S
6¼% Megal Fin. Comp. 78/90	92.50	6.76	10.34	7.30	2. 1.85—90S
7% Megal Fin. Comp. 79/89	99.15	7.06	9.58	7.12	1. 4.87—89S
7% M E P C 73/88	96.75	7.24	4.41	7.88	1. 5.79—88D
7% Mexico 69/84	101.00	6.93	2.27	6.61	2. 1.73—84S
7¼% Mexico 73/88	100.25	7.23	4.10	7.16	1. 1.79—88S
9% Mexico 76/82	105.25	8.55	2.83	6.88	1. 7.82
8% Mexico 76/83	102.75	7.79	3.76	7.12	1. 6.83
7¾% Mexico 77/84	101.45	7.64	4.76	7.36	1. 6.84
6% Mexico 78/85	95.60	6.28	5.58	6.87	1. 4.85
6½% Mitsubishi Chemical 79/84	100.25	6.48	4.60	6.42	30. 4.84
5¾% Mitsubishi Petro 78/83	95.50	6.02	4.00	7.08	1. 9.83
7¾% Mitsui Toatsu 76/81PP	100.50	7.71	2.04	7.48	15. 9.81
9% MODO 75/83	103.50	8.70	2.21	7.30	1. 6.80—83D
7% Montreal 69/89	99.60	7.03	4.80	7.09	1. 4.70—89D
6% Montreal 72/92	93.75	6.40	6.51	7.24	1. 9.73—92D
6¾% Montreal 73/93	96.60	6.99	13.75	7.14	1. 6.74—93S
8½% Montreal 76/86	103.00	8.25	3.69	7.52	1. 7.77—86S
7% Montreal 77/87	99.90	7.01	7.87	7.01	16. 7.87S
7½% Mortg. Denmark 69/84 (G)	100.75	7.44	3.10	7.35	1.11.75—84S
7% Mortg. Denmark 73/88 (G)	98.50	7.11	8.83	7.23	1. 7.79—88S
6¾% Mortg. Bk. Finl. 69/84 (G)	99.30	6.80	4.58	7.05	1. 4.73—84S
8¾% Nafi. Mexico 76/83PP (G)	103.50	8.45	4.25	7.76	1.12.83
7% Nafi. Mexico 77/82PP (G)	97.50	7.18	3.00	7.97	1. 9.82
8¾% Nafi. Mexico 77/84 (G)	105.00	8.33	4.50	7.38	1. 3.84
8¾% Nafi. Mexico 77/84PP (G)	104.00	8.41	4.50	7.64	1. 3.84
8¼% Nat. Bk. Hungary 75/81	101.50	8.13	1.83	7.32	1. 7.81
6½% Nat. Bk. Hungary 77/85	93.25	6.97	6.17	7.92	1.11.85
8% Nat'l. Westm. Bk. 73/88	102.00	7.84	5.04	7.50	1.10.79—88S
6¾% New Brunswick 72/87	99.25	6.80	6.17	6.87	1.11.78—87S
7¼% Newfoundland 69/84	101.50	7.14	2.85	6.77	1. 8.75—84S
8% Newfoundland 71/86	102.50	7.80	3.78	7.21	1. 8.77—86S
6¾% Newfoundland 72/87	98.90	6.83	8.17	6.93	1.11.78—87S
6½% Newfoundland 73/88	96.50	6.74	8.58	7.05	1. 4.81—88S
6¾% New Zealand 69/84	100.00	6.75	2.35	6.86	1. 2.75—84D
7½% New Zealand 71/86	104.20	7.20	5.56	6.25	1. 5.77—86D
7% New Zealand 72/87	100.75	6.95	3.75	6.75	1. 2.78—87D
9½% New Zealand 75/80PP	100.00	9.50	0.42	9.24	1. 2.80
9¼% New Zealand 75/80PP	100.00	9.25	0.42	9.00	1. 2.80
8¼% New Zealand 75/80PP	100.25	8.23	0.83	7.87	1. 7.80
9¾% New Zealand 75/82	102.50	9.51	2.33	8.48	1. 1.82
7½% New Zealand 76/83	101.25	7.41	3.50	7.06	1. 3.83
7¾% New Zealand 76/86	103.25	7.51	5.10	6.96	1.11.82—86D
6¼% New Zealand 77/84	98.75	6.33	4.67	6.56	1. 5.84
5¼% New Zealand 78/86	92.30	5.69	6.50	6.74	1. 3.86
6% New Zealand 79/86PP	96.00	6.25	6.43	6.78	1. 2.86
6¼% New Zealand 79/87	97.00	6.44	7.33	6.77	1. 1.87
6¾% Nippon Housing Loan 79/84PP	98.75	6.83	4.71	7.03	16. 5.84
6½% Nippon Kokan 79/84	99.00	6.57	4.58	6.75	1. 4.84
5¾% Nippon Steel 78/85	95.10	6.05	6.00	6.77	1. 9.85
8½% Nippon T + T 75/82 (G)	103.00	8.50	2.50	7.36	1. 3.82
8¼% Nippon T + T 75/82 (G)	103.25	7.99	2.75	6.89	1. 6.82
7¾% Nippon T + T 76/83 (G)	103.00	7.52	4.08	6.88	1.10.83
5½% Nippon T + T 79/87 (G)	93.50	5.88	7.42	6.63	1. 2.87
5¾% Norcem 78/85	94.25	6.10	5.50	7.04	1. 3.85
5% Norddt. LB Int'l. 78/84PP	96.00	5.21	4.42	6.05	1. 2.84
5¼% Nordic Inv. Bank 79/86	96.50	5.48	6.33	6.94	1. 1.86
8½% Norges Komm. Bank 70/85 (G)	107.00	7.94	3.49	6.33	1.10.76—85S
8% Norges Komm. Bank 75/80 (G)	100.75	7.94	0.75	6.87	1. 6.80
8% Norges Komm. Bank 75/80PP (G)	100.50	7.96	0.83	7.31	1. 7.80
7% Norges Komm. Bank 76/81 (G)	101.00	6.93	1.67	6.32	1. 5.81
7% Norges Komm. Bank 77/89 (G)	100.00	7.00	9.58	6.99	1. 4.80—89S
6% Norges Komm. Bank 77/89 I (G)	94.38	6.36	10.12	6.79	16.10.80—89S
6% Norges Komm. Bank 77/89 II (G)	94.00	6.38	10.25	6.83	1.12.80—89S
6% Norges Komm. Bank 78/90 (G)	94.90	6.33	10.92	6.68	1. 8.81—90S
6¼% Norges Komm. Bank 79/89 (G)	95.20	6.57	9.33	6.56	1. 1.84—89S
7⅜% Norges Komm. Bank 79/89PP (G)	100.50	7.34	7.38	7.28	16. 6.84—89S
7¾% Norges Komm. Bank 78/91 (G)	103.75	7.47	8.15	7.12	1. 7.84—91S
8½% Norpipe 76/84	104.00	8.17	2.76	6.83	1. 2.80—84S
8% Norpipe 76/88	103.75	7.71	6.15	7.21	1. 6.83—88S
8% Norpipe 77/89	97.90	8.13	10.17	8.28	1.11.84—89D
7¼% Norsea Gas 76/88	101.75	7.13	6.66	6.90	1.12.83—88S
7% Norsea Gas 77/89	101.25	6.91	7.84	6.78	1. 7.84—89S
9% Norsk Hydro 75/87	105.00	8.57	3.61	7.42	1. 3.80—87D
8% Norsk Hydro 76/88	105.00	7.62	5.89	6.94	1. 4.83—88S
6¾% Norsk Hydro 77/89	98.25	6.87	6.75	7.00	1. 6.82—89S
8¼% Norway 75/80	100.75	8.19	0.67	6.96	1. 5.80
8¼% Norway 75/80PP	100.25	8.23	0.75	7.81	1. 6.80
7¾% Norway 75/80	101.60	7.63	1.25	6.34	1.12.80
7% Norway 76/81	101.75	6.88	1.67	5.84	1. 5.81

Nutshell Survey

. . . mixed turnover and uncertainty prevailed . . . unchanged yield levels . . . 6 new straight issues totalling 999 mio DM and 1 convertible of 50 mio DM were mostly well received . . .

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment
7½% Norway 76/81	101.50	7.39	1.83	6.59	1. 7.81
6½% Norway 77/82	100.00	6.47	2.33	6.24	1. 1.82
6¼% Norway 77/82	100.00	6.25	2.68	6.23	1. 4.82
5¾% Norway 77/82	98.40	5.84	2.82	6.38	1. 6.82
4¾% Norway 78/83	95.65	4.97	3.33	6.22	1. 1.83
4½% Norway 78/83	93.90	[illegible]	3.58	6.32	1. 4.83
6¼% Norway 79/84	100.60	6.21	4.68	6.08	1. 4.84
7¼% Norw. Mortgage 77/87	100.25	7.23	5.84	7.18	16. 5.83—87D
6% Norw. Mortgage 77/89	92.25	6.43	8.52	7.33	16.11.82—89D
7¾% Nova Scotia 71/86	101.75	7.62	3.57	7.31	1.12.77—86D
7% Nova Scot. Power 72/87	100.00	7.00	6.25	6.99	1.12.78—87S
6% Occident. Int. Fin. 78/90	84.10	7.17	11.25	7.54	1.12.85—90S
6½% Occident. Overs. 68/83	98.40	6.61	4.08	7.08	1.10.72—83S
6¾% Oester. Bundes-Sch. 68/80PP	100.00	6.75	0.75	6.84	1. 6.80
6% Oester. Donaukr. 69/84 (G)	99.75	6.02	2.36	6.21	1. 2.85—84D
6¾% Oester. Donaukr. 73/88 (G)	99.50	6.78	6.50	6.82	1. 3.79—88S
8¾% Oester. Draukr. 75/85 (G)	106.25	8.24	3.44	6.63	1. 3.81—85D
7% Oest. El. Wirtsch. 67/87 (G)	100.60	6.96	3.74	6.93	1. 2.73—87D
7% Oest. El. Wirtsch. 76/83PP (G)	101.25	6.91	4.29	6.64	16.12.83
5½% Oest. Ind. Verwaltung 78/85PP (G)	93.00	5.91	5.83	7.00	1. 7.85
10¼% Oest. Inv. Kredit. 74/79PP	100.50	10.20	0.12	5.86	due 16.10.79
7% Oest. Kontrollbank 76/83PP (G)	100.00	7.00	4.25	6.99	1.12.83
6¾% Oest. Kontrollbank 77/83PP (G)	99.50	6.78	4.42	6.87	1. 2.84
6½% Oest. Kontrollbank 77/84PP (G)	98.75	6.58	4.83	6.80	1. 7.84
6¼% Oest. Kontrollbank 77/84PP (G)	96.00	6.51	4.92	7.24	1. 8.84
6% Oest. Kontrollbank 77/85PP (G)	95.50	6.28	6.17	6.92	1.11.85
5¾% Oest. Kontrollbank 78/84PP (G)	96.00	5.99	4.92	6.73	1. 8.84
6½% Oest. Kontrollbank 78/88 (G)	97.00	6.70	9.29	6.94	16.12.88
6% Oest. Kontrollbank 79/87PP (G)	94.50	6.35	7.42	6.97	1. 2.87
5½% Oest. Länderbank 77/82	96.90	5.68	3.25	6.58	1.12.82
6¼% O K O 64/79 (G)	99.90	6.26	0.17	6.91	due 1.11.79
6½% Ontario 69/84	99.25	6.55	2.35	6.86	1. 2.75—84D
6% Ontario 72/87	95.50	6.22	4.32	6.97	1. 9.80—87D
7½% Ontario Hydro 71/86	103.00	7.28	4.12	6.63	1.12.77—86D
6½% Ontario Hydro 72/87	99.25	6.55	4.08	6.71	1. 6.80—87D
6½% Ontario Hydro 73/88	99.25	6.55	4.83	6.67	1. 3.81—88D
6¼% Osaka 65/80 (G)	99.50	6.28	0.42	7.61	1. 2.80
6¾% Oslo 65/80	99.75	6.76	0.50	6.36	1. 3.80
7½% Oslo 69/84	101.50	7.39	3.10	7.07	1.11.75—84D
7½% Oslo 71/87	102.00	7.35	3.85	7.01	2. 1.78—87S
6¾% Oslo 73/90	99.00	6.82	10.83	6.88	1. 7.76—90S
9% Oslo 75/87	106.00	8.49	4.01	7.20	1. 3.78—87S
6¾% Papua 73/88	99.36	6.79	6.83	6.85	1. 7.79—88S
6% Parker-Hannifin 77/87PP	84.50	7.14	5.67	7.08	1. 8.83—87D
7½% Parker-Hannifin 79/87PP	102.00	7.35	6.83	7.13	1. 7.85—87D
8¾% Pemex 76/83	106.00	8.25	4.25	7.05	1.12.83
7% Pemex 77/84	99.75	7.02	5.00	7.06	1. 9.84
7% Pemex 78/86	100.00	7.00	6.33	6.99	1. 1.86
7% Petrobras 77/84	97.45	7.18	5.00	7.62	1.10.84
7% Petrobras 78/86	94.50	7.41	7.01	8.05	1.10.84—86D
7¼% Philippine 77/84	95.50	7.59	6.17	8.36	1.11.84
6¾% Philippine 78/85	92.50	7.30	5.56	8.48	1. 4.85
8¾% Philips 75/81PP	101.50	8.62	1.58	7.65	1. 4.81
8½% Philips 75/81PP	101.00	8.42	1.62	7.77	15. 4.81
8¾% Philips 75/82	104.00	8.41	2.54	6.95	15. 3.82
5¾% PK-Banken 78/88	90.65	6.34	6.59	7.60	1. 5.84—88D
8¼% Patm. Malmoe 76/80PP	100.75	8.18	0.67	7.93	1. 5.80
6⅛% Postipankki 79/85PP	97.50	6.28	3.88	6.87	1. 2.82—85D
7¼% Privatbk. Copenh. 77/83PP	100.00	7.25	3.58	7.23	1. 4.83
6¼% Pyhrn Autobahn 77/89PP	94.75	6.60	7.40	7.19	1. 9.84—89D
6½% Quebec 72/87	97.50	6.67	4.15	7.21	1. 7.78—87D
7½% Quebec 77/87	101.60	7.38	7.42	7.20	1. 2.87
7¼% Quebec 77/87	100.00	7.25	7.75	7.24	1. 6.87
6% Quebec 78/90	91.75	6.54	8.06	7.39	1. 5.85—90D
6¾% Quebec Hydro El. 69/84	100.75	6.70	2.35	6.50	1. 2.75—84S
7¼% Quebec Hydro El. 69/84	104.00	6.97	2.94	5.84	1. 9.75—84D

WestLB Euro-Deutschmarkbond Yield Index

August 31, 1979: 7.17% (July 31, 1979: 7.13%)

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment
8% Quebec Hydro El. 71/86	103.25	7.75	3.32	7.01	1. 9.77—86D
6½% Quebec Hydro El. 72/87	97.65	6.66	3.90	7.20	1. 4.78—87D
6½% Quebec Hydro El. 73/88	97.45	6.67	4.27	7.20	1. 3.79—88D
6½% Quebec Hydro El. 77/87	97.75	6.65	7.96	6.88	16. 8.87P
6¼% Quebec Hydro El. 77/87	95.60	6.54	8.25	6.96	1.12.87P
8½% Queensland Alu. 70/85	103.00	8.25	3.56	7.66	1.11.76—85S
5¾% Rautaruukki 78/88 (G)	90.25	6.37	6.61	7.70	1. 4.84—88D
7¼% Reed Paper 73/88	100.10	7.24	4.10	7.20	1. 1.79—88S
8½% Renfe 76/82 (G)	102.60	8.28	2.83	7.43	1. 7.82
8% Renfe 77/84 (G)	102.00	7.84	4.58	7.45	1. 4.84
7% Renfe 79/87 (G)	95.65	7.33	7.75	7.78	1. 6.87
5¼% Ricoh Comp. 78/83	95.85	5.48	3.92	6.48	1. 8.83
7¾% SAAB 71/86	102.50	7.56	3.80	7.11	1. 6.77—86S
10¼% SAFE 74/79PP	100.00	10.25	0.17	9.82	due 1.11.79
7½% Saga Petrokjemi 77/87PP	100.00	7.50	7.93	7.49	1. 7.83—87S
7½% Sandvik 72/87	101.15	7.41	3.74	7.12	1. 2.78—87D
9¼% Sandvik 75/83	106.80	8.66	2.42	6.82	1. 2.83
7% Sanko Steamship 77/84	100.50	6.97	4.42	6.85	1. 2.84
9% S.A.P.L. 75/80PP (G)	101.00	8.91	0.50	8.76	1. 3.80
6½% Shell Int'l. 72/87	99.75	6.52	7.58	6.53	1. 4.78—87S
6¾% Shell Int'l. 77/89	102.10	6.61	7.35	6.37	1. 2.85—89D
8¼% Ship.Co.New Zeal. 75/80PP (G)	100.00	8.25	0.76	8.17	3. 6.80
7% Siemens Europe 66/81	101.75	6.88	1.66	5.64	1.11.70—81S
7% Singapore 72/82	99.50	7.04	2.83	7.32	1. 7.78—82S
6½% Singapore 77/83	98.50	6.60	3.67	6.96	1. 5.83
8½% Sira Kvina 70/85	103.40	8.22	3.15	7.40	1. 6.76—85D
6½% S.N.C.F. 68/83 (G)	100.00	6.50	4.08	6.50	1.10.72—83S
7½% Soc. Dev. Reg. 76/86 (G)	102.50	7.32	3.81	6.72	1. 4.80—86D
6¼% Soc. Dev. Reg. 77/92PP (G)	92.50	6.76	8.50	7.47	16.12.83—92D
9% Soc. Mar. Fina 76/83PP	102.50	8.78	2.27	7.72	1. 5.79—83D
6¼% Sorrento 79/84PP	96.50	6.48	4.37	7.20	16. 1.84
6¾% South-Africa 69/84	99.50	6.78	4.58	7.00	1. 4.74—84S
8½% South-Africa 70/85	101.90	8.34	3.55	8.03	1.11.76—85S
7¾% South-Africa 71/86	99.60	7.79	7.17	7.89	1.11.77—86S
7% South-Africa 72/87	97.00	7.22	8.17	7.50	1.11.78—87S
8% South-Afr. Broadc. 76/81PP (G)	99.50	8.04	1.50	8.31	1. 3.81
7¼% South-Afr. Oil Fund 78/81 I PP (G)	98.25	7.38	2.12	8.14	1.11.81
7¼% South-Afr. Oil Fund 78/81 II PP (G)	98.50	7.36	2.21	7.98	16.11.81
7¾% South-Afr. Oil Fund 78/82 I PP (G)	98.50	7.87	2.82	8.34	1. 8.82
7¾% South-Afr. Oil Fund 78/82 II PP (G)	98.75	7.85	3.04	8.23	16. 9.82
8% South-Afr. Oil Fund 79/83PP (G)	99.75	8.02	4.17	8.07	1.11.83
7¾% South-Afr. Oil Fund 79/84PP (G)	97.50	7.95	4.60	8.42	1. 3.84
7½% South-Afr. Railway 73/88 (G)	96.60	7.78	8.75	8.05	1. 6.79—88S
9¼% South-Afr. Railway 75/80PP (G)	100.50	9.20	0.75	8.43	1. 6.78—80D
9¼% South-Afr. Railway 75/80 (P)	101.00	9.16	0.83	7.90	1. 7.80
8¼% South-Afr. Railway 77/80PP (G)	100.00	8.25	0.92	8.22	1. 8.78—80D
8% South-Afr. Railway 78/81PP (G)	99.25	8.06	1.24	8.56	2. 1.81
7¾% South-Afr. Railway 78/82PP (G)	98.75	7.85	2.67	8.28	1. 5.82
8% South-Afr. Railway 78/83 I PP (G)	99.25	8.06	3.83	8.22	1. 7.83
8% South-Afr. Railway 78/83 II PP (G)	100.00	8.00	4.00	8.00	1. 9.83
7¾% South-Afr. Railway 78/83PP (G)	99.00	7.83	4.25	8.02	1.12.83
7% South Scotl. El. 73/88 (G)	99.50	7.04	8.42	7.07	1. 2.79—88S
6¾% Spain 77/84	99.40	6.79	4.92	6.89	1. 8.84
6% Spain 78/88	92.90	6.46	8.67	7.12	1. 5.88
6% Sparbank Oslo 78/80PP	92.00	6.52	5.90	7.73	16. 5.81—90D
7¾% Standard Imp. & Exp. 78/82PP	98.50	7.87	2.92	8.34	1. 8.82

Continued on Page VIII

WestLB QUOTATIONS AND YIELDS

"Life" and "Maturity" appear in years and decimals of years and are—in this context—calculated as follows:

—to final maturity in case of a lump-sum repayment

—to final maturity in case of a sinking fund issue, whenever the quoted price is below 100

—to average life in case of a sinking fund issue, whenever the quoted price is above 100

—to average life in case the bond issue provides for mandatory drawings by lot at par only

PP—Private Placement (the smallest denomination may be larger than the usual DM 1,000 of public issue)

AIBD

THE ASSOCIATION OF INTERNATIONAL BOND DEALERS

MARKET MAKERS

REGION 1 - BELGIUM

110 Dewaay, Sebille, Servais Van Campenhout & Cie
115 Kredietbank N.V.

REGION 2 - FRANCE

230 Banque Arabe et Internationale d'Investissement (B.A.I.I.)
235 Banque de l'Union Européenne
225 Banque Louis-Dreyfus
205 Banque Nationale de Paris
210 Credit Commercial de France Paris
215 Credit Lyonnais
218 E. F. Hutton Services S.A.R.L.
220 Interunion-Banque
270 Smith Barney Harris, Upham & Co. Inc.

REGION 3 - GERMANY/AUSTRIA

300 Commerzbank AG
305 Deutsche Bank AG
306 Dresdner Bank AG
307 Westdeutsche Landesbank Girozentrale
309 Creditanstalt Bankverein
310 Girozentrale und Bank der Österreichischen Sparkassen AG

REGION 4 - ITALY

405 Banca Commerciale Italiana Milan
407 Banco Ambrosiano S.p.A.
409 Banco di Roma
415 Credito Italiano
420 Istituto Bancario Italiano
425 Istituto Bancario San Paolo di Torino
430 Monte dei Paschi di Siena

REGION 5 - LUXEMBOURG

505 Banque Générale du Luxembourg S.A.
510 Banque Internationale à Luxembourg S.A.
540 Bayerische Landesbank International S.A.
515 Dewaay Luxembourg S.A.
520 Kredietbank S.A. Luxembourgeoise
530 Swiss Bank Corporation (Luxembourg)

REGION 6 - NETHERLANDS

600 H. Albert de Bary & Co. N.V.
601 Algemene Bank Nederland N.V.
602 Amsterdam-Rotterdam Bank N.V.
603 Bank Mees & Hope N.V.
604 Barclays Kol & Co. N.V.
611 Centrale Rabobank Utrecht
612 Bank Van der Hoop, Offers N.V.
605 Bank Morgan Labouchere N.V.
610 F. van Lanschot
606 Nederlandse Middenstandsbank N.V.
607 Nederlandse Credietbank N.V.
608 Pierson, Heldring & Pierson
609 Slavenburg, Oyens & Van Eeghen N.V.

REGION 7 - SCANDINAVIA

705 Bank of Helsinki Ltd. (Helsingfors Aktiebank)
755 Bergen Bank
760 Christiania Bank og Kreditkasse
740 Den norske Creditbank
750 Den Danske Bank af 1871 Aktieselskab
710 R. Henriques jr. Bank-Aktieselskab
715 Kansallis-Osake-Pankki
720 Kjøbenhavns Handelsbank

JAPANESE DOLLAR DEPOSITARY RECEIPTS

Names	Close at 30.8.1979	Names	Close at 30.8.1979
Honda ADR	USD 36½	1 Nippon Shinpan EDR	USD 2.80
Ito Yokado EDR	USD 60½	1 Renown EDR	USD 2.86
Komatsu Forklift CDR	USD 3.05	1 Tokyo Sanyo	USD 2.55
Kubota	USD 14.50	1 Tokyu Dept EDR	USD 1.74
1 Murata EDR	USD 3.60	1 Nippon Densetsu	USD 1.86

WestLB Euro-Deutschmarkbond Quotations (Continued)

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment D-mandatory drawing by lot at par S-sinking fund P-purchase fund
6¾% Stand. Chart. Bank 78/88	97.35	6.68	9.33	6.92	1. 1.88
6% Statoil 78/88 (G)	95.30	6.30	9.00	6.71	1. 9.84—88S
6½% Statoil 78/89 (G)	96.40	6.74	9.50	7.02	1. 3.86—89S
7% Statsfoeretag 77/85	100.25	6.98	3.86	6.91	1. 3.82—85D
10% Steiermark 74/80PP	102.50	9.76	1.08	7.48	1.10.80
8¾% Stockholm County 75/87	104.00	8.41	5.89	7.50	1. 4.79—87D
8½% Sumitomo Metal 75/82	103.50	8.21	2.83	7.08	1. 7.82
7½% Sun Oil Int. Fin. 73/88	103.00	7.28	4.70	6.73	1. 8.79—88S
7¼% Svenska Cell. 73/88	99.75	7.27	8.42	7.28	1. 2.79—88S
9% Svenska Taendst. 75/85	103.75	8.67	2.89	7.48	1. 3.80—85S
6¾% Sveriges Inv. Bk. 72/87	98.25	6.87	7.50	7.05	1. 3.78—87S
7% Sveriges Inv. Bk. 73/88	99.25	7.05	8.50	7.11	1. 3.79—88S
8½% Sveriges Inv. Bk. 75/83	103.75	8.19	2.21	6.60	1. 6.80—83S
6½% Sweden 77/84	99.90	6.51	4.67	6.51	1. 5.84
6% Sweden 77/89	94.50	6.35	10.25	6.76	1.12.83—89S
7¾% Sweden 78/89	103.50	7.49	9.83	7.23	1. 7.88
7½% Sweden 79/89PP	100.75	7.44	9.92	7.39	1. 8.89
9½% Taisei Corp. 75/80PP	101.00	9.41	0.64	7.39	due 1.10.79
10% Tauernautobahn 74/79PP (G)	100.25	9.98	0.06	6.59	1. 7.81
9½% Tauernautobahn 74/81 (G)	104.75	9.07	1.83	6.64	1. 3.82
9% Tauernautobahn 75/82PP (G)	105.50	8.53	2.50	6.51	1. 3.83
9% Tauernautobahn 75/83PP (G)	104.25	8.63	3.50	7.55	1. 4.84—83S
5½% Tauernautobahn 78/93 (G)	88.00	6.25	13.58	6.88	1. 2.74—83D
7% Tauernkraftwerke 68/83 (G)	100.50	6.97	1.88	6.82	1. 9.74—83S
6½% Tauernkraftwerke 68/83 (G)	100.00	6.50	4.00	6.61	1.11.83—83S
8% Tenpfinco 73/83	102.75	7.79	8.24	7.53	1. 3.82
9½% Tenpfinco 75/82PP	103.50	9.18	2.50	7.66	1. 4.83
6¼% Thailand 78/83PP	95.50	6.54	3.58	7.72	1. 4.82
8½% Thyssen Car. Fin. 75/82PP	103.50	8.21	2.58	6.94	1. 7.82
8¼% Thyssen Car. Fin. 75/82PP	103.00	8.01	2.83	7.03	1. 3.72—81D
6½% Thyssen Inv. 66/81	103.50	6.28	1.00	2.86	1.12.75—84D
7¼% Tokyo El. Power 69/84	100.50	7.21	2.65	7.16	1. 5.85
6½% Tokyo El. Power 79/85	98.75	6.58	5.67	6.78	10. 2.83
9½% Toray Ind. 75/80PP	100.00	9.50	0.44	9.25	1.10.83
5½% Toyo Rubber 78/83PP	93.75	5.87	4.08	7.32	1.10.78—87S
6½% Traf. House Fin. 72/87	99.00	6.57	8.08	6.66	1. 4.83
6% Trinidad & Tobago 78/83	94.75	6.33	3.58	7.71	1.12.72—83S
6¾% Trondheim 68/83	99.60	6.78	4.35	7.00	1. 4.86—88D
5¾% Trondheim 78/88	90.00	6.39	7.56	7.52	1.10.75—84S
7½% T R W Int. Fin. 69/84	100.50	7.46	3.01	7.44	1. 2.84—88S
6% T V O Power 78/88 (G)	92.00	6.52	8.42	7.30	1. 9.83
5¾% UDS Group 78/83	94.60	6.08	4.00	7.36	1.12.81
9¾% Unilever 74/81PP	104.50	9.33	2.25	7.47	1. 5.81—87S
8½% Unilever 75/87	105.00	8.10	5.01	7.26	16.12.84—88S
6½% Union Bank Finland 78/88	93.50	6.95	9.29	7.40	1. 8.84
5¾% Uniroyal 78/84PP	94.00	6.12	4.92	7.24	30. 4.82
6¾% Unit. Arab. Emirats. 77/82PP	98.75	6.84	2.66	7.26	1.10.74—83S
7% Venezuela 68/83	99.50	7.04	4.06	7.27	1. 3.84—88S
6% Venezuela 78/88	93.05	6.45	8.50	7.11	1.11.85—90S
6½% Venezuela 78/90	90.50	7.18	11.17	7.80	1. 6.74—83S
7% Vienna 68/83	100.75	6.95	2.21	6.73	1. 8.79—84D
8¾% Vienna 75/84	100.30	7.97	2.85	6.85	15.12.84
5¾% Vienna 77/84PP	95.50	6.02	5.29	6.78	1.10.79—88S
8½% Voest-Alpine 73/88	103.25	8.23	5.03	7.69	1. 6.81—85D
8½% Voest-Alpine 75/85	104.75	8.11	3.68	6.88	1. 6.84—89D
6¾% Voest-Alpine 77/89	98.50	6.85	7.15	7.02	1.11.79—88S
6½% Wells-Fargo ex w. 73/88	98.50	6.60	9.17	6.72	1. 4.71—89D
5½% Worldbank 65/85	98.50	5.58	6.58	5.90	1. 8.80
6½% Worldbank 68/80	99.80	6.51	0.82	6.71	2. 1.77—84D
6½% Worldbank 68/84PP	99.00	6.57	2.27	6.88	1. 6.76—84D
6½% Worldbank 69/84	99.75	6.52	2.69	6.71	2. 1.77—84D
6½% Worldbank 69/84PP	99.00	6.57	2.27	6.96	1. 4.77—84D
6% Worldbank 69/84PP	97.75	6.14	2.52	6.98	1. 8.80
8½% Worldbank 70/80	101.90	8.34	0.92	6.42	1. 1.77—88D
8% Worldbank 70/86	104.00	7.69	3.21	6.56	1. 6.77—86D
7½% Worldbank 71/86 I	101.90	7.36	3.62	6.87	1.12.77—86D
7½% Worldbank 71/86 II	101.50	7.39	3.57	7.00	1. 7.82
6½% Worldbank 72/82	100.25	6.48	2.83	6.32	1. 3.78—87D
6¾% Worldbank 72/87	99.50	6.78	3.83	6.89	1. 2.83
6¾% Worldbank 73/83	100.75	6.70	3.42	6.48	1. 5.79—88D
6¾% Worldbank 73/88	96.10	6.63	4.43	7.43	1. 6.82
8¼% Worldbank 75/82PP	103.00	8.01	2.75	6.89	1.12.82
8% Worldbank 75/82	103.25	7.76	3.25	6.63	1. 7.83
8¼% Worldbank 75/83	105.25	7.84	3.83	6.64	1. 8.82
8% Worldbank 76/82PP	102.00	7.84	2.92	7.21	1.10.82
7¾% Worldbank 76/82PP	102.00	7.60	3.08	7.00	1. 5.83
7½% Worldbank 76/83	103.00	7.28	3.67	6.54	1.10.83
7¾% Worldbank 76/83	103.00	7.52	4.08	6.88	1.12.83
6¾% Worldbank 76/83PP	99.50	6.78	4.25	6.88	1. 2.84
8% Worldbank 76/84	103.40	7.74	4.42	7.05	15. 9.82
5½% Worldbank 77/82PP	96.50	5.70	3.04	6.82	1. 3.85
7% Worldbank 77/85PP	99.50	7.04	5.50	7.10	1. 5.85
6½% Worldbank 77/85PP	99.00	6.57	5.67	6.71	15. 9.85
6% Worldbank 77/85	96.35	6.23	6.04	6.76	1. 1.87
7% Worldbank 77/87	100.80	6.94	7.33	6.83	1. 5.87
6½% Worldbank 77/87	97.00	6.70	7.87	7.01	1. 8.84
5¾% Worldbank 78/84	96.40	5.96	4.82	6.63	1. 8.88
6% Worldbank 78/88	93.15	6.44	8.92	7.06	1.12.88
6¼% Worldbank 78/88	93.40	6.69	9.25	7.25	1. 2.87—90D
5¾% Worldbank 78/90	89.10	6.45	8.67	7.47	1. 8.85
7% Worldbank 79/85PP	99.75	7.02	5.92	7.06	1. 8.87
7¼% Worldbank 79/87PP	98.25	7.25	7.92	7.42	1. 7.91
7¾% Worldbank 79/91	101.45	7.64	11.83	7.58	1. 8.72—83S
6¾% Yokohama 68/83 (G)	100.00	6.75	4.00	6.80	30. 8.73—84S
7% Yokohama 69/84 (G)	100.35	6.98	3.01	6.88	1. 8.77—86S
8% Yokohama 71/86 (G)	102.00	7.84	3.98	7.30	1. 7.80
8¾% Yoshida Kogyo 75/80PP	100.50	8.71	0.83	8.05	15.12.79—84S
8% Yugosl. Inv. Bank 77/84PP	93.50	8.04	6.29	8.10	

CONVERTIBLES-U.S. (CONTINUED)

[illegible]

MARKET MAKERS (Cont.)

745 Postipankki
730 Privatbanken Aktieselskab
735 Skandinaviska Enskilda Banken
725 Union Bank of Finland (Nordiska Föreningsbanken AB)

REGION 8 - SWITZERLAND

800 Bondpartners S.A.
805 Credit Suisse/Swiss Credit Bank
860 Swiss Bank Corporation
870 Union Bank of Switzerland

REGION 9 - UNITED KINGDOM

901 Akroyd & Smithers Limited
904 Amex Bank Ltd.
902 Bank of America International Ltd.
903 Bank Julius Baer International
905 Bankers Trust International Limited
910 Banque Francaise de Credit International Ltd.
907 Bondtrade
909 Chase Manhattan Ltd.
908 Chemical Bank International Ltd.
911 Citicorp International Bank Limited
912 Continental Illinois Limited
914 Credit Suisse First Boston Ltd.
913 Daiwa Europe N.V.
915 Deltec Trading Company Limited
920 Dillon, Read Overseas Corporation
922 Dominion Securities Limited
925 European Banking Company Ltd.
930 First Chicago Limited
931 Goldman Sachs International Corp.
932 Hambros Bank Limited
933 IBJ International Limited
934 Hill Samuel & Co. Ltd.
936 Kidder Peabody Securities Limited
938 Loeb, Rhoades
939 Kuhn, Loeb Lehman Brothers Inc.
936 Manufacturers Hanover Limited
937 McLeod, Young, Weir International Limited
940 Merrill Lynch, Pierce, Fenner & Smith (Brokers & Dealers) Ltd.
941 Morgan Stanley International
945 Nesbit, Thomson Limited
942 The Nikko Securities Co. (Europe) Ltd.
943 Nomura Europe N.V.
946 Orion Bank Limited
948 Pinchin, Denny & Co.
947 Salomon Brothers International Ltd.
950 Samuel Montagu & Co. Ltd.
955 Scandinavian Bank Limited
960 Strauss, Turnbull & Co.
962 Sumitomo Finance International
964 Vickers, da Costa & Co. Ltd.
965 S. W. Warburg & Co. Ltd.
967 Wedd Durlacher Mordaunt and Co.
970 Westdeutsche Landesbank Girozentrale
975 White Weld Securities
977 M. S. Wein & Co. Inc.
980 Wood Gundy Ltd.
990 Yamaichi International (Europe) Ltd.

REGION 10 - UNITED STATES

10 Arnhold and S. Bleichroeder Inc.
15 Bear Stearns & Co.
20 Drexel Burnham Lambert Inc.
30 Kidder, Peabody & Co. Inc.
32 Lehman Bros. Kuhn, Loeb Inc.
33 Lazard Freres & Co.
35 Merrill Lynch, Pierce Fenner Smith Inc.
60 Salomon Brothers
80 Atlantic Capital Corporation

REGION 11 - MIDDLE EAST

005 The Arab Co. for Trading Securities S.A.K.

THE ENGINEERING INDUSTRY DISPUTE

BY ALAN PIKE, LABOUR CORRESPONDENT

More at stake than a major strike

"THE STRIKE is a very delicate weapon. Sometimes a short, sharp strike is a good safety valve. But long strikes are of no use to union or nation. I will strive to reduce them."

"The action we will be recommending will be in excess of what we are meting out now. We cannot discount a prolonged dispute."

Both comments come from Mr. Terry Duffy. The first was made on the day last year he was elected president of the Amalgamated Union of Engineering Workers, following a campaign in which he argued against unnecessary use of the strike weapon. The second came last month as he announced an increase in the most serious national industrial action to hit the engineering industry for many years.

Two monoliths

Those who believe that the Left-Right spectrum of a union's leadership has a simple correlation with levels of strike activity will be left wondering what is happening in the leading engineering union at a moment when it is—for the first time in decades—in the control of an all-moderate executive committee. Mr. Duffy is leading a strike the intensity of which Lord Scanlon, for years a frightening figure of the Left in the eyes of many engineering employers, never equalled. The reasons for the dispute, which risks bringing Britain's biggest industry and leading exporter to its knees, stem at least as much from chance as from a grand design.

There is little warmth in the relationship between the Engineering Employers Federation (EEF) and the Confederation of Shipbuilding and Engineering Unions (CSEU), the two monoliths of the industry. The annual negotiations on the national pay and conditions agreement provide a regular opportunity for each to accuse the other of refusing to come to terms with the 20th century. But the match usually ends with the two teams pulling up the stumps and, instead of beating each other with them, declaring something approximating to a draw. One of the main reasons why the negotiations do not often lead to strikes or other action is the widespread belief—challenged by the events of recent weeks—that it is near-impossible to mount large-scale action about the national agreement when the real earnings of most engineering workers are determined at local factory and district level.

Against this familiar background the present round of negotiations opened, predictably enough, with sounds of growling as the unions declared the employers' initial offer "totally unacceptable." Even as subsequent meetings failed to reach agreement and Mr. Duffy warned that the two sides were "collision-bound" there were many—including some of those around the negotiating table—willing to bet against there being a strike. And, indeed, there probably would not have been if Mr. Duffy and his fellow executive members had not suffered a defeat by only one vote at a meeting of the AUEW's policy-making National Committee recalled to consider the progress of the negotiations in June.

The employers had by that stage offered to increase the national minimum craft rate from £60 to £68 per week—with proportionate rises for other grades—in response to the union claim for £80. CSEU negotiators had indicated to the employers that they would be prepared to settle for £70. The AUEW executive, meeting in a City of London livery hall on the day when public attention was distracted by the Conservative government's first Budget, sought the National Committee's authority to make one more journey to the EEF in the hope of settling at £70 before launching into industrial action. Not only did the committee say no, it left the executive with a virtually non-negotiable set of demands—the full £80 claim, one hour off the 40-hour working week this year leading to a 35-hour week by 1982, two days' extra holiday and the continuation of a common implementation date for the national agreement, rather than the employers' proposal to date it to coincide with local settlements as they are made.

At one level the vote in the National Committee represented AUEW politics—the left-wing made some gains in the elections for the decision-making body this year. But at another level it was indicative of the unusual atmosphere which has pervaded the negotiations this year and it is this factor—now that the two sides are entrenched in a real dispute—which is making its resolution so difficult.

If the need to rid the country of unnecessary strikes was one plank of Mr. Duffy's election campaign, another was his conviction that the distinction in conditions of employment between manual and white-collar employees must be eliminated. His election address to members went into block capitals to stress a philosophy on which Mr. Duffy's political friends and opponents combine to agree he is wholly sincere: "The second class citizen status of our manual workers must be removed—it is unjust, unfair and degrading in our present industrial society, and a cause of discontent."

Working hours

This commitment of the new president meant that, unlike the position in many previous negotiations, the "working conditions" aspects of this year's engineering claim did not fade away in the early stages of talks. And by the time Mr. Duffy came to report on the progress of negotiations to the National Committee's annual meeting in May he had elevated one aspect of the conditions demands—the need for a shorter working week—into a central principle. "Someone, somewhere, has got to take on the employing class on the shorter working week. We have got to have some battles on shorter hours," he declared.

TERRY DUFFY . . . fulfilling principles

It is not only because of Mr. Duffy's personal interest that the CSEU desperately needs to win on the hours issue. The fact that a minority of engineering workers have defied the strike call has diverted attention from a phenomenon which is at least as remarkable—the majority of workers are obeying strike instructions in spite of the fact that most earn more than the new minimum rates being sought, and stand to gain comparatively little in cash terms from the eventual settlement.

This does not necessarily signify passion for the cause—it could as easily be a tribute to basic trade union organisation and shop steward power. But, in view of the fact that the national agreement means comparatively little to many workers the question of whether the dispute was really worthwhile is going to loom large when it is over. If the action ends with the British engineering unions having made a breakthrough on shorter working hours—something which is encountering the vigorous opposition of employers both nationally and internationally—it will be hailed as a victory of historic proportions. If not, the unions may have appeared to have got little more from industrial action than could have come from negotiations.

The EEF has dug in on the hours issue as firmly as the Confederation. A reduction to 39 hours would, it fears, simply lead to extra overtime and an increase in the industry's costs by 4 per cent or more. It has suggested a working party to consider shorter working time in the long-term in the context of harmonising manual and white-collar workers' conditions, but this solution was on offer before the dispute began.

It was not only on the union side that the general atmosphere outside the negotiations contributed to the dispute. In February the EEF—one of the most powerful and outspoken of employers' organisations—organised a national conference at the Royal Festival Hall where some strong words were spoken about the need for employers to stand up to trade union power. The following month—in the very week that negotiations resumed—the EEF published a tough set of guidelines for local negotiators calling for a united stand by employers in any dispute. Justified or not, some engineering workers undoubtedly saw all this as an attempt by employers to shift the balance of advantage in their favour now that the Scanlon era was over and an avowed moderate was at the head of the AUEW.

Hard-line EEF

Since the industrial action started, relations between the unions and employers have become quite bitter. At preliminary discussions in Manchester earlier this month they spent much of their time disagreeing about who had first called for the meeting. Union leaders are angry about what they believe are unrealistically hard-line attitudes on the EEF's part: At the Manchester meeting the employers said they were ready to make an improved offer but refused to unveil it until there was a return to normal working. The unions were then furious when Rolls-Royce decided to close down its aircraft engine operation completely and lay off all 30,000 manual workers, although the EEF says it has no policy of encouraging companies to close down because of the dispute.

So while today's talks at the Advisory, Conciliation and Arbitration Service are a move towards reopening negotiations there is no guarantee that they will lead to an early settlement. This morning's talks have the limited purpose of seeing whether an agenda for negotiations can be agreed; if it can the two sides will meet again on Wednesday.

The EEF and the Confederation are both umbrella organisations with highly diverse memberships, spanning the biggest and smallest companies and unions in the industry. Both have energetic men at the head of their permanent organisation—Mr. Anthony Frodsham at the EEF and Mr. Alex Ferry at the Confederation. But while the EEF's resources in both its Westminster headquarters and regional associations are extensive, the Confederation's central organisation is tiny. It operates from a small office next to what is in the process of becoming the new Labour Party headquarters in South London.

Although the Confederation encompasses the entire spectrum of manual and white-collar TUC unions in the engineering industry, on engineering matters the running is very much made by the AUEW. Many of the smaller Confederation unions are organisations with which the AUEW would like to amalgamate and this issue, as much as the dispute, will be on Mr. Duffy's mind this morning.

The conference of the AUEW's four sections meets in Eastbourne today—it was deferred from May amid wrangling about the future of the amalgamation between the Right-wing leaders of Mr. Duffy's engineering section and the Left-wing leadership of TASS, the white-collar section. For ten years now, internal differences have prevented the AUEW from bringing its four sections together into a complete amalgamation, but at last things could be moving.

The construction and foundry sections have agreed in principle to complete the amalgamation through a transfer of their members to the engineering section under the Trade Union (Amalgamations) Act. Even more significant, a special conference of the 75,000-strong National Union of Sheet Metal Workers will this week decide whether it should amalgamate with the AUEW. If this is agreed it will end ten years of stagnation—until now other unions have shown no enthusiasm for joining the AUEW while the difficulties of the existing amalgamation remained unsolved.

For Mr. Duffy, the two issues facing him this morning—the future of the strike and the future of the amalgamation—could come together in an acutely personal way. Under his union's long and elaborate election procedures his campaign for re-election to the presidency gets under way next year—newcomers are allowed only three years in the job before being sent back to face the members.

If he can go back to them with the amalgamation difficulties on the road to resolution, and having achieved a breakthrough on the shorter working week as part of his campaign to abolish the distinction between manual and white-collar workers, it will be a credible prospectus. But if the strike goes wrong it is likely, when the details have been forgotten, to be Mr. Duffy who gets the blame rather than the anonymous National Committee delegate whose vote led to the defeat of the executive.

Harsh reality

If this seems a little harsh, it represents a political reality of which Mr. Duffy is very aware. As he wrote elsewhere in his election address: "Our National Committee determines our union's policy; the president and other full-time officials carry out that policy. This is effective democracy in action and I pledge myself loyally to fulfil all obligations placed upon me."

No-one who has seen the robust and dedicated way in which the man who campaigned against strikes is leading this one could dispute that he is loyally fulfilling what is, in many ways, his union's highest principle.

Letters to the Editor

Post Office split

From the General Secretary, Council of Post Office Unions.

Sir,—In an otherwise fair account of attitudes and problems arising from the Government's intention to split the Post Office, John Lloyd says of the industrial democracy experiment: "... it is an open secret that there has been disappointment on both sides."

If so, it has been kept from me, the unions' negotiator on this issue. Both Post Office and unions are reviewing the progress of the experiment with a view, the unions hope, to making a joint report to the Government. True, we understand that there are two views on the Board. There are not among the unions. We want the existing arrangements to continue beyond the present March deadline (for the Board itself) until the Post Office is reorganised in the light of the Government's intention to split; thereafter, it would be for the two corporations to make their own arrangements.

The unions are satisfied that the industrial democracy experiment has been positive in its effect and that it has potential for the future. In the difficult phase the Post Office has now entered it is more than ever necessary that mutual confidence should be aimed for. Industrial democracy will assist in that.

A. Carter.
11-12, Maiden Lane, WC2.

Equal opportunities

From the Chairman, Equal Opportunities Commission.

Sir,—Sue Cameron's article "Discriminating against women" in last Thursday's Lombard column rightly draws attention to the sex discrimination inherent in certain of the Government's proposed changes in immigration control. However the Equal Opportunities Commission is distressed to see that it has been wrongly attributed with the statement "well-educated, white, middle-class women will be among those hardest hit."

The Commission has not said this. Our concern is for the rights and well-being of all British women, irrespective of race, colour, creed or social class. We do not wish to be represented as confining our attention to one select group alone, particularly in an area of such vital importance to all women and their families.

Baroness Lockwood,
Chairman, Equal Opportunities Commission.
Overseas House,
Quay Street, Manchester.

Unequal colour

From Miss C. M. Waterhouse

Sir,—As one of the "well educated, white, middle-class women" referred to in the Financial Times article on "Discriminating against Women," I feel outraged that any Government should even consider curtailing my rights as a British citizen. Why it should be that potential EEC husbands are considered more suitable partners than non-EEC men, I cannot imagine and then to permit male British citizens to dwell in this country with a wife of any nationality, simply compounds the injustice.

If it is the Government's intention to exclude Asians from this country, then the legislation to be passed should be racist, and labelled such, not sexist.

Miss C. M. Waterhouse.
14, Trafalgar Court,
Southcote Road,
Reading, Berks.

Funded pensions

From Mr. A. G. Saunders and Mr. C. D. French.

Sir,—Mr. Nottage suggests (September 10) that public sector pension schemes should switch from advance funding to pay-as-you-go in order to achieve an immediate reduction in current costs. In doing so he does no justice to either side of the equation: If we have six employees and two pensioners, the output from the six can probably support the pensions for the two on a pay-as-you-go basis. In due course the six will retire and be replaced. We will then have six employees supporting eight pensioners—a serious imbalance.

A pay-as-you-go scheme which promises pensions based on earnings revalued in line with the rate of inflation will face the same problem as a "funded" final salary based scheme—liabilities which have become onerous because of the effects of inflation. At least the funded scheme attempts to make some provision in advance to meet its commitments whereas members of the pay-as-you-go scheme can only hope that their children will be willing to provide them with their pensions.

Perhaps Mr. Nottage should be reminded that the State additional pension scheme promises pensions based on revalued earnings to be provided on a pay-as-you-go basis and that the ratio of UK pensioners to contributors is increasing. Very little foresight is needed to recognise the serious imbalance looming ahead.

Have we not visited enough "overheads" upon our children?

A. G. Saunders, C. D. French.
49 Bath Street,
Glasgow.

Company disclosure

From Mr. Tony Vernon-Harcourt

Sir,—Your editorial yesterday (September 12) expressed unease that the government proposed to reduce the disclosure requirements for certain categories of company. In particular, the green paper proposes some specific changes in thresholds immediately, prior to the introduction of any legislation.

The threshold for disclosure of turnover is to be raised from £250,000 to £1m. It is difficult to see that the requirement to disclose turnover is burdensome or that shareholders would benefit from this change.

The threshold for disclosure of directors' emoluments is to be raised from £15,000 to £40,000. This would severely restrict the information available to shareholders of mainly family companies who may well wish to be informed concerning the remuneration drawn by their relations from the company.

It is further proposed that the bands for the disclosure of directors' earnings should be widened to £5,000. It is difficult to see how this reduces the burden on companies. It merely provides shareholders with less precise information. Surely it might be better to move towards the American practice of disclosing emoluments for each director. This would appear to follow the EEC directive from which the proposed legislation derives.

It also suggests that the disclosure of the number of employees earning over £10,000 is a "meaningless burden." Undoubtedly the production of this data requires work and certainly the raising of the threshold can be justified. However, for potential professional employees, the numbers in this category can be a useful indicator of their chances of earning a high remuneration.

As the author of a series of studies on management remuneration, naturally I have a vested interest in this subject. Nonetheless, it is unlikely that several hundred companies would be willing to buy the publications if they did not find the data useful.

Directors are the only group of people in a company who determine their own remuneration. It seems reasonable that shareholders who appoint the directors should be able to monitor properly the rewards the directors draw from the business.

Tony Vernon-Harcourt.
25, Milk Street, EC2.

Channel tunnel

From Mr. George Behrend

Sir,—The answer to Mr. P. R. Easton's cri de coeur (Saturday last) for a 'solution to the country's transport problems including relieving airport congestion without creating an environmental problem is quite simple: its called the Channel Tunnel.

The Tunnel should be built to Berne European Gauge so that foreign trains can work into Britain and long distance transits taking weeks to Turkey or Iran would not be hampered by shortage of tiny rolling stock as used in UK. Airports would be relieved of short haul flights altogether to Paris, Brussels, Amsterdam, etc., and those very airports, by no longer having to provide for flights to London, would have extra capacity for passengers from London to board for long distance flights. Since the British can work in the Common Market, no jobs would be lost by not having an extra airport in UK.

George Behrend,
Villa Mon Contour, Fliquet,
St. Martin, Jersey, CI.

Dangers of indexation

From Mr. D. C. Beevers

Sir,—Can Samuel Brittan be serious about some of the things he advocates in his article "Time for cost of living safeguards," (September 13)

Indexation of wages can create a number of problems as he rightly points out in the article but the most serious problem was not mentioned. Indexation provides increases like "manna from heaven." People start to believe (if they don't already) that wage increases do not have to come as a result of generating wealth, they just materialise in the pay packet as the indices move. Of course, wages have to move in line with inflation but agreements which tie increases directly to RPI or some other measure give company managements little opportunity to explore ways of generating the extra cash to fund it.

What if the index rises at an unforeseen rate? Well, Mr. Brittan suggests a re-opener clause for emergencies and these can be defined by "the impartial tribunals and expert bodies." he says. Has he seen some of the decisions which come from these bodies? Has he experienced the industrial relations chaos caused by this form of third party intervention?

No, Mr. Brittan, indexation is not the answer and it could be worse than nothing at all.

D. C. Beevers.
70 Widney Lane, Solihull,
West Midlands.

The third airport

From Mr. S. Davidson

Sir,—Mr. B. Williams in his letter (September 12th), from an address comfortably distant from Stansted, makes the fundamental error of equating progress with modern technology. What is at stake is quality of life, in this instance for many thousand residents of East Hertfordshire and West Essex. Stansted and the other sites under consideration are all situated in predominantly rural areas, the inhabitants of which have either chosen to remain in the rural environment into which they were born, or have migrated as a result of exercising their freedom of choice to select their own environment for work, family and recreation.

It is to their credit that "small vociferous groups" care sufficiently about the quality of their own and their neighbours' lives to take issue with the mighty bureaucratic machinery which, like Mr. Williams, sees progress in terms of converting green field and hedgerow into concrete jungle.

The least concern of those who live near the proposed sites is aircraft noise. What is of concern is the wholesale conversion of countryside into the urban and industrial areas that are an inevitable consequence of a major new airport.

It is not for local groups to take issue with the experts over the need for greater airport capacity, but it is for them to voice the expert view about the quality of life in their neighbourhood. The only viable solutions that ensure real progress—i.e. a better service to air travellers—and preservation of the countryside are (i) a spreading of the load throughout all the UK's existing airports (including Stansted) with fixed ceilings to the volume of traffic movements, or better (ii) reverting, at enormous financial but not human cost, to a coastal site. Inland airports can be the antithesis of progress, Mr. Williams.

M. S. Davidson.
The Bower,
70 Birchanger Lane,
Birchanger,
Nr. Bishop's Stortford, Herts.

Today's Events

GENERAL

UK: Zimbabwe Rhodesia constitutional talks continue, Lancaster House, London.

Executives of the Confederation of Shipbuilding and Engineering Unions and the Engineering Employers' Federation called to Advisory Conciliation and Arbitration Service to discuss engineering dispute—the two-day strike begins today and the national overtime ban remains in force.

Transport and General Workers' Union executive meeting throughout this week.

Amalgamated Union of Engineering Workers special conference opens, Town Hall, Eastbourne (until September 18).

Merchant Navy officers' pay claim.

Cigarette prices increase by Gallaher and British-America Tobacco by 3p per packet of 20.

Statement by Association of Scientific Technical and Managerial Staffs on silicon chip technology campaign.

Mr. James Prior, Employment Secretary, launches Manpower Commission's "Fit for Work" scheme for the disabled, Marylebone Station, London.

Mr. Marcus Fox, Parliamentary Under-Secretary of State, Environment, addresses opening session of Environmental Health Officers' Association annual congress, Royal Hall, Harrogate.

Five-day Commonwealth Conference on New Towns begins at East Kilbride.

Sir Kenneth Cork, Lord Mayor of London, has lunch with City of London Sheriffs' Society, 4, Dowgate Hill, EC4.

Overseas: Meetings of European Economic Community finance and agricultural councils, Brussels.

M. Henri Simonet, Belgian Foreign Minister, meets Herr Helmut Schmidt, West German Chancellor, in Bonn.

Mr. John Nott, Secretary for Trade, continues visit to West Coast of U.S., Fiji, New Zealand and Australia.

OFFICIAL STATISTICS

Central Statistical Office issuing Cyclical indicators for the UK economy (August).

COMPANY MEETINGS

See Week's Financial Diary on page 23.

Laird Group ahead midway

TURNOVER OF the Laird Group rose sharply from £68.9m to £101.18m in the first six months of 1979 and pre-tax profits were higher at £5.04m compared with £4.33m in the same period last year.

The directors are effectively raising the interim dividend from 1.327p to 1.7p payable on December 3 and intend recommending total dividends this year of 3.4p. Last year's payment was an equivalent 2.71p on record pre-tax profits of £11.12m.

First half profits were struck before tax of £1.75m against £1.85m and an extraordinary item in the previous year of £350,000.

Referring to claims for compensation for the nationalisation of Scottish Aviation and the 50 per cent shareholding in Cammell Laird Shipbuilders which were submitted in March 1977, the directors say no acceptable offer has been made by the Government and both claims will thereore be the subject of arbitration proceedings.

So far, payments received on account amount to £2.5m.

● comment

Laird's first half results are surprisingly good given that the metal industries division suffered a £2.5m turnround to losses of £1m due to the haulage strike and the sharp rise in scrap metal prices. Elsewhere in the group, profits jumped by more than 50 per cent, thanks mainly to the train and bus companies which are benefiting from the upsurge in demand for public transportation systems, and the elimination of losses on their shiprepairing side. Although scrap metal prices are now starting to fall, the outlook for steel (17 per cent of profits last year) is not encouraging, mainly because of chronic overcapacity in the sector. Also, the current engineering stoppage is casting a shadow over second half prospects. However, there should be a boost to bus sales following BL's decision to close down a major plant while Burnley Engineering should continue to benefit from growth in the aerospace industry. At 81p the prospective yield is 6.1 per cent—slightly less than the sector average.

BOARD MEETINGS

TODAY

Interims—A. and C. Black, Black and Edgington, Horace Cory, Federated Land and Building, J. B. Holdings, Low and Bonar, Ransomes, Sims and Jefferies, Simon Engineering, Henry Sykes, United Biscuits.

Finals—F. and C. Eurotrust, Jentique, Minerals and Resources Corporation.

FUTURE DATES

Interims—	
Amcliffe	Sept. 24
Copydex	Sept. 20
Dinkie Heel	Oct. 1
Dunlop	Sept. 27
Genl. and Comcl. Invest. Trust	Sept. 27
Gibbs (Antony)	Sept. 19
Harris Queensway	Oct. 2
Jourdan (Thomas)	Sept. 21
Leadenhall Sterling	Sept. 20
Sedgwick Forbes Bland Payne	Sept. 20
Senior Engineering	Oct. 9
Tronoh Mines	Sept. 20
Wadkin	Sept. 20
Westpool Investment Trust	Oct. 17
Final—	
Mills and Allen International	Sept. 18

Support for Spillers' management

SPILLERS' three non-executive directors yesterday voiced their support for the company's existing management.

Mr. P. G. Best, Mr. P. J. Elton and Mr. G. A. Whittaker, said they had been concerned about statements regarding the competence of Spillers' management to achieve improved results in the future.

"We wish to make it clear that we have been fully involved in the planning for the future of Spillers and in reaching the decisions for the future growth of the company.

"This Board, under the chairmanship of Michael Vernon, is a constructive and well organised Board which speaks freely and takes action.

"Since we joined the Board we have become increasingly impressed with the very real opportunity for profit growth and with the executive directors' and management's determination and ability to take all steps necessary to achieve this. We shall do all we can to ensure that whatever steps may be necessary are taken."

● BERWICK TIMPO BATTLE

Toymaker's fate in the balance

BY ARNOLD KRANSDORF

Shareholders of Berwick Timpo, the embattled toy manufacturer engaged in a bitter Boardroom struggle, have until Wednesday to decide the company's future management structure.

They are being asked to choose between a Board led by Mr. John Oakley, 58, chairman for the past nine years, or one which will include Mr. Torquil Norman, 45, chief executive for eight years before resigning in May.

The issue comes to a head at an extraordinary meeting on Wednesday after more than six weeks of acrimonious exchanges, which have included pledges of resignation by four directors if the Board changes are approved.

Resolutions, backed by Mr. Norman, call for the removal of Mr. Oakley and two other directors, Mr. J. A. C. Hill and Mr. J. A. Stitt, and the appointment to the Board of Mr. Norman and Mr. J. M. C. Andrews.

Over 40% claimed

The former chief executive says he has firm shareholder backing from holders of 37.6 per cent of the company's equity. Up until the end of last week, additional proxies had lifted this figure to "significantly above 40 per cent," he claims.

According to Mr. Norman there are institutional shareholders controlling some 28 per cent of the capital who have not yet taken a firm decision.

Both sides say they have had a "good response" from the undecided institutions, with Mr. Oakley claiming that "most" of the group's major shareholders other than those committed to Mr. Norman have indicated their support for the board.

A simple majority will win the day so an important factor will be the level of shareholder response to the resolutions. Mr. Oakley needs a high turnout but in view of Mr. Norman's head start, traditional shareholder apathy could put him and seven other directors, out on the street.

If Mr. Norman loses, no changes are expected on the present board.

If Mr. Norman wins he faces the prospect of mass resignations from the remainder of the board. The finance director and managing directors of three key subsidiaries have pledged not to work for Berwick Timpo under the stewardship of their previous colleague.

Mr. Norman has called on them to reconsider their positions but has said: "If not, we have people in mind within the subsidiaries, and one or two people from outside."

The three managing directors have said that the implications of their resignations would be "staggering." It would take "a long time for the company to pull back to the position it is in now," they say.

But Mr. Norman is "confident that the subsidiaries will operate effectively until replacements are found."

While the protagonists disagree on the consequences of Wednesday's vote, they have, at least, concurred on the origins of the dispute: it was the refusal of Mr. Oakley to support Mr. Norman's proposals for improving the supervision and management of two loss-making companies, Model Toys and Flair Toys, that caused the policy disagreement leading to Mr. Norman's resignation and his subsequent proposals for restructuring the board.

Avoiding publicity

After taking advice from Hill Samuel, the company's merchant bank, and Rowe and Pitman, the company's brokers, Mr. Norman says he was left in no doubt that he should do everything possible to avoid a public row over the policy disagreement.

By withdrawing from the board, he felt he could talk privately and gain the support of major shareholders, and then persuade the board to accept his proposals.

The Oakley camp claims that Mr. Norman intended to try and force through the board changes even before his resignation, which was announced on May 11.

By August 22 Mr. Norman claimed he had the backing of 37.6 per cent of the equity, a figure which included the support of Caparo Group (10.7 per cent), clients of Charterhouse Japhet (6.9 per cent) and Scottish Northern Investment Trust (5.4 per cent):

However, an obligatory takeover bid was triggered after passing the 30 per cent level. At the time Mr. Norman said the bid—a cash offer of 75p per share—was purely technical.

In its defence the board committed itself to raise the full-year dividend by 80 per cent to 6p per share and forecast pre-tax profits of "not less than £1.4m"—an increase of a third.

According to Mr. Norman, the company's pre-tax profits jumped from £254,000 to a forecast of not less than £1.4m while he was chief executive. The excellent performance expected for the current year "is the result of the hard work and managerial reorganisation instigated by me," he claims.

The choice

Referring to the previous policy of consolidation within the group, Mr. Norman says: "As chief executive I would have had to take the rap if the strategy had failed; I must be entitled to a share of the credit."

Mr. Oakley thinks otherwise. "As chief executive Mr. Norman was, of course, however much he tries to avoid the point, just as much responsible for the management and supervision of the two loss-making subsidiaries as for the profitable ones.

"The choice before you is between one man who failed to solve the group's problems when he had the opportunity and the combined abilities and talents of the existing proved board."

On balance, Mr. Norman looks to have the edge. On top of committed shareholder backing totalling 37.6 per cent, he has the support of two major broking houses, Grieveson Grant and Hoare Govett, while up to now there has been no visible backing for Mr. Oakley apart from his board colleagues.

The ammunition having been exhausted, it is the shareholders who will now have the last say.

Brokers argue against early drop in MLR

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

MINIMUM LENDING Rate should not yet be reduced from 14 per cent, says stockbroker and leading monetary commentator W. Greenwell.

In the latest monetary bulletin published this morning the firm says the behaviour of the broader monetary aggregates over the past two months is "reasonably encouraging, bearing in mind that there is a lag before a rise in interest rates has its full effect on them.

"But the evidence that monetary growth is becoming satisfactory is very fragile; it is certainly insufficient for the authorities to reduce MLR."

Similarly, Buckmaster and Moore—for whom Mr. Geoffrey Wood of the City University is a consultant—argues that monetary policy is not excessively tight.

The growth ef bank acceptances, or commercial bills, held outside the banking system and not included in the main statistics, means that the published figures for sterling M3, the broadly defined money supply, understate the true rate of growth by between 2 and 4 per cent.

Both brokers also join in the growing debate about the right policies for the coming recession: both reject suggestions that fiscal policy or monetary targets should be relaxed.

Buckmaster and Moore argues that the monetary target should be reduced slightly next April, and public sector borrowing could also continue to be reduced gradually. If the economy is supported by a firm floor to money growth—if necessary by purchases of gilt-edged stock by the Government Broker—such a combination of policies would produce steadily falling inflation without a sharp fall in employment.

Greenwell suggests that inadequate monetary growth could be a danger next year, though it is not at present. The authorities should act to stop the money supply from falling below the gradualist path of a steady long-term reduction (for example, by rationing sales of gilt-edged stock).

The brokers reject the view that the target range for the money supply should be raised. "Further, in no way does the coming recession reduce the need for cuts in public expenditure.

Problems for marine insurance

Financial Times Reporter

THE ANNUAL CONFERENCE of the International Union of Marine Underwriters starts in Edinburgh today with marine underwriters in the midst of one of the most unprofitable and worrying periods on record. The conference, involving 510 underwriters from 42 countries, was last held in the UK ten years ago.

One major issue could well be overcapacity, which is perhaps the biggest single problem in the marine insurance business, particularly for the major markets such as London.

Under the three-year accounting system to allow for the traditional long-tail claims nature of the business, 1976 was the last year to show profits. Since then the trend has turned decidedly sour, and many insurers think that 1979 could produce catastrophic underwriting results.

The cargo market is affected by rates which are considered too low.

A major factor this year is the alarming jump in the shipping casualty graph, especially in the summer months, with a string of big tanker losses.

Television rental trade 'moving into growth era'

BY JOHN LLOYD

THE TELEVISION rental industry is now moving into a "totally new era of growth," according to a report from stockbrokers Laurie Millbank.

Rental of colour TVs—the companies' main business—has declined from 76 per cent of the consumers' market in the early 1970s to 65 per cent now.

At the same time, the main impact on profitability of the incidence of depreciation on sets introduced in the early seventies is being felt.

However, the report believes that the new TV-related products—video cassette recorders, video long playing discs and viewdata systems—will "fulfill growth expectations."

The effect of the rental of new products on profits is expected to materialise in the late 1980s. Until then, the report believes that profits on colour TV rentals "will continue to expand."

"Although the arguments in favour of renting colour television may not now be so compelling as in the early 1970s, we believe that users of the new products will prefer to rent these systems.

"This is for exactly the same reasons that early users of colour TVs preferred to rent, namely that the reliability of the products is not yet established, the cost of purchase is still falling and the technology is still developing."

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Barnsley (0226 203232)	12	½-year	250	3-5
Barnsley (0226 203232)	12¼	½-year	250	6-10
Burnley (0282 25011)	12¼	½-year	500	5-7
Kirklees (0484 22133)	12	½-year	500	1½
Kirklees (0484 22133)	12¼	½-year	500	2
Knowsley (051 548 6555)	11½	½-year	1,000	1
Knowsley (051 548 6555)	12¼	½-year	1,000	5-7
Redbridge (01-478 3020)	11¾	½-year	200	4-5
Redbridge (01- 478 3020)	12¼	½-year	200	6-7

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INTNTL. COMPANIES and FINANCE

Interest rates help Ennia

By Our Amsterdam Correspondent

ENNIA, the Dutch insurer, saw its first-half net profits jump by 32 per cent to Fl 29.2m ($14.7m) from Fl 22m in the same half of last year. The increase was achieved after deducting Fl 5m which was put into a "catastrophe" reserve started this year.

The board of the Hague-based company also announced it was paying an interim dividend of Fl 3.50 per share, which compares with last year's payment of Fl 2.73, corrected for a jubilee bonus. It was pointed out that the purpose of the increase has been solely to even out the disparity between interim and final dividends.

Ennia added that it should not be counted on that the profit for the full year would show the same percentage increase as in the first half of the year, but the profit per share should go up. The board said that life insurance earnings were also disappointing in the first six months.

Results had developed favourably, however, partly due to the continued high level of interest rates on the capital market.

TV venture by Amex, Warner

NEW YORK — American Express (Amex) and Warner Communications have agreed in principle to engage jointly in the cable TV business.

American Express will acquire 5 per cent of Warner Communications' cable TV subsidiary, Warner Cable Corporation for $175m in cash and short-term notes.

The jointly-owned company, to be named Warner Amex Cable Communications, intends to establish a $250m line of credit for further expansion of its cable TV operations.

The two parent companies will have equal representation on the Board of Warner Amex Cable Communications.

Mr. Gustave M. Hauser, president and chief executive of Warner Cable Corporation will serve in that capacity for the new company.

It is expected that the transaction will be consummated late this year, subject to any necessary regulatory approvals and completion of a definitive written agreement.

AJ-DJ

Second half improvement expected for Hagemeyer

BY MICHAEL VAN OS IN AMSTERDAM

HAGEMEYER, the Dutch trading group, has sustained a net loss of Fl 6.9m ($3.47m) in the first half of this year. In the same period last year there was a net profit of Fl 8.8m. The total loss in 1978 was Fl 14.9m. Despite a number of uncertainties, the board expects results in the second half of this year to improve.

The company, which is currently involved in discussions on a merger or other forms of co-operation with Van Ommeren, the Dutch shipping and storage company, blames much of the first half setbacks on troubles affecting subsidiary companies. The reorganisation of Hagemeyer, which has already resulted in the planned closure of the Kalorik company in Belgium, has cost Fl 4.7m in the first half of this year.

After taking into account expenditure on reorganisation, Hagemeyer was able to book an operating profit of Fl 23.8m in the first half, compared with a profit of Fl 32.5m. When the accounts for the whole year are drawn up, it will be decided to what extent the reorganisation costs will be charged to the provisions created at the end of 1978.

Hagemeyer's depreciation amounted to Fl 6.8m in the first half against Fl 5.9m in the same 1978 period. Interest paid rose sharply to Fl 17.2m. It was noted that a currency profit of Fl 1.3m has not been incorporated in the results which had not been done either with the currency loss of Fl 1.7m suffered in the first half of last year.

The balance of various charges and revenues was down to a mere plus of Fl. 0.4m and Corporation Tax amounted to Fl 5.4m against Fl 9.6m. The sum clipped off as a result of third party interests was up to Fl 1.7m compared with Fl 0.9m.

Kaufhof sales drive pays off

BY GUY HAWTIN IN FRANKFURT

KAUFHOF, West Germany's second largest store group, is marking the 100th anniversary of its founding with a major sales effort. The push is timely as results for the first four months of the year were distinctly uninspiring.

High point of the sales drive has been a special jubilee sale at all of its 86 department stores throughout the Federal Republic. Yesterday the group reported that the sale, which lasted from August 30 to September 12 pushed up turnover by 90 per cent compared with the same period of 1978.

Jubilee sales are a standard feature of German retailing and few companies fare poorly in a jubilee year. Kaufhof's 100th anniversary sales should lift the group's turnover substantially in 1979, despite what has proved to be a generally quiet year for department stores.

The Kaufhof sale consisted of a special range of 1,500 items at bargain prices, 48 per cent of them in the textiles sector. The sales value of the Jubilee range is put by the store at DM 300m ($165.5m).

Organising the sale presented Kaufhof with a number of logistical problems — not least storage space. The group rented 120,000 square metres for the duration of the sale.

Kaufhof's sales could do with a shot in the arm. During the first four months group turnover rose by only 2.4 per cent to DM2.2bn, while sales space increased 0.2 per cent.

The bulk of the growth, however, came from the "no frills" department store subsidiary, Kaufhalle, which saw sales increase during the period by 8.6 per cent to DM474m. The Kaufhof department stores reported near stagnation with turnover up only 0.9 per cent to DM1.75bn.

Last year, Kaufhof sales rose 4.2 per cent to DM7.39bn, while profits went up 7.5 per cent to DM54.5m.

Basco in liquidation

BY MARY FRINGS IN BAHRAIN

THE BAHREIN fishing company (Basco) which was established in 1967, is to go into voluntary liquidation, the board of directors agreed last week.

The company operated under a 15-year fishing concession from the Bahrein Government and an annual licence from the Saudi fisheries authorities to trawl for shrimps in the territorial waters of the two states.

But shrimp catches have fallen disastrously all over the Gulf and Basco's losses for the last season and up to the end of August this year amount to about BD 1m ($2.6m).

Neither the Government nor the directors of Basco see any hope of a replenishment of shrimp stock in the immediate future.

Mr. Colin Lee, company secretary, commented earlier: "We can control everything except the availability of shrimps."

Western Auto

Beneficial Corporation, the consumer credit group, announced its Western Auto Supply subsidiary closed 116 company-owned retail stores last week, reports AP-DJ from Wilmington. The closures are expected to result in a third-quarter after-tax charge of about $4m. The stores closed have been "a significant profit drain." Western continues to own and operate 302 retail stores.

INSURANCE BASE RATES

† Vanbrugh Guaranteed	12.12%
† Property Growth	12¾%

† Address shown under Insurance and Property Bond Table.

PENDING DIVS.

For the convenience of readers the dates when some of the more important company dividend statements may be expected in the next few weeks are given in the following table. The dates shown are those of last year's announcements, except where the forthcoming Board meetings (indicated thus*) have been officially published. It should be emphasised that the dividends to be declared will not necessarily be at the amounts or rates per cent shown in the column headed "Announcement last year."

	Date	Announcement last year
*Armstrong Equipment	Sept. 25	1.465
*BPC	Sept. 27	Int. 1.1
BSG Intl.	Oct. 16	Int. 0.916
*Bk. Scotland	Sept. 18	Int. 6.082
*Barratt Devs.	Sept. 25	Final 5.53
*Bell (A.)	Oct. 26	Final 2.682
*Bilton (P.)	Oct. 1	Int. 3.375
British Home Stores	Oct. 18	Int. 3.1
Brittains	Sept. 8	Int. 0.7
Brooke Bond	Oct. 17	Final 2.254
*Brown Boveri Kent	Sept. 20	Int. 1
Centrel and Sheerwood	Oct. 17	Int. 0.676
Coates Bros.	Oct. 19	Int. 0.865
*Croda Intl.	Sept. 20	Int. 1.081
Dawney Day	Oct. 18	Final 1.25
Delta Metal	Sept. 21	Int. 1.82
*Dunlop	Sept. 27	Int. 2.65
Duport	Oct. 18	Int. 2.036
*EMI	Oct. 4	Final 5.97
*Eagle Star	Sept. 19	Int. 3.35
Eastern Produce	Oct. 18	Int. 1.34
*European Ferries	Sept. 24	Int. 1.1
*Fisons	Sept. 24	Int. 5.889
Furness Withy	Oct. 17	Int. 3.85
Gerrard Nat. Disc.	Oct. 18	Int. 4.0
*Guest Keen	Sept. 20	Final 5.59
*Guinness Peat	Sept. 19	Final 8.0
*Harris and Sheldon	Sept. 20	Int. 1.578
*Harrison's Malyan. Estates	Sept. 19	Sec. Int. 2.75
Hawker Siddeley	Oct. 19	Int. 2.105
*Heatair	Sept. 20	Int. 2.358
Johnson & Firth Brown	Sept. 14	Final 3.458
*Kleinwort Benson	Sept. 25	Int. 1.8
*Laing (J.)	Sept. 26	Int. 1
*Laporte Inds.	Sept. 21	Int. 3.0217
*Law Land	Sept. 18	Int. 0.5
Lister	Sept. 21	Final 1
Liverpool Daily Post	Sept. 13	Int. 3.012
*Low and Bonar	Sept. 17	Int. 4.0
MFI Furniture	Sept. 19	Final 1.206
Marks and Spencer	Oct. 17	Int. 1.15
Matthews Wrightson	Aug. 31	Int. 3.6953
*Mills and Allen Int.	Sept. 18	Final 5
*Molins	Sept. 19	Int. 2.2
Newman Inds.	Sept. 26	Int. 1.5
Newman Tonks	Oct. 20	Final 3.163
*Ransome Sims & Jefferies	Sept. 17	Int. 3
Rio Tinto-Zinc	Sept. 20	Int. 3.5
*Rolls-Royce	Sept. 18	Int. 2.24
*Rowntree Mackintosh	Sept. 19	Int. 4.5
Rugby Ptlnd. Cement	Oct. 16	Int. 1.193
*Sedgwick Forbes	Sept. 20	Int. 4.0
*Selectn. Tst.	Sept. 20	Int. 5
*Senior Eng.	Oct. 9	Int. 0.6516
*Simon Eng.	Sept. 17	Int. 3
*Staetley	Sept. 20	Int. 2.733
*Tarmac	Sept. 25	Int. 3.986
Tate & Lyle	Sept. 20	Sec. Int. 6.36
*UBM	Oct. 18	Int. 1.964
*United Biscuits	Sept. 17	Int. 1.5
*Ward White	Sept. 21	Int. 1.34
Wilmot Breeden	Oct. 18	Int. 1.2

* Board meeting intimated. † Rights issue since made. ‡ Tax free. § Scrip issue since made. ¶ Forecast.

BASE LENDING RATES

A.B.N. Bank	14 %	■ Hill Samuel	§14 %
Amro Bank	14 %	C. Hoare & Co.	†14 %
American Express Bk.	14 %	Julian S. Hodge	15 %
Henry Ansbacher	14 %	Hongkong & Shanghai	14 %
A-P Bank Ltd.	14 %	Industrial Bk. of Scot.	14½%
Associates Cap. Corp.	14 %	Keyser Ullmann	14 %
Banco de Bilbao	14 %	Knowsley & Co. Ltd.	15½%
Bank of Credit & Cmce.	14 %	Lloyds Bank	14 %
Bank of Cyprus	14 %	London Mercantile	14 %
Bank of N.S.W.	14 %	Edward Manson & Co.	15 %
Banque Belge Ltd.	14 %	Midland Bank	14 %
Banque du Rhone et de la Tamise S.A.	14½%	■ Samuel Montagu	14 %
Barclays Bank	14 %	■ Morgan Grenfell	14 %
Bremar Holdings Ltd.	15 %	National Westminster	14 %
Brit. Bank of Mid. East	14 %	Norwich General Trust	14 %
■ Brown Shipley	14 %	P. S. Refson & Co.	14 %
Canada Perm't Trust	14 %	Rossminster	14 %
Cayzer Ltd.	14 %	Ryl. Bk. Canada (Ldn.)	14 %
Cedar Holdings	14 %	Schlesinger Limited	14 %
■ Charterhouse Japhet	14 %	E. S. Schwab	15 %
Choulartons	14 %	Security Trust Co. Ltd.	15 %
C. E. Coates	14 %	Shenley Trust	15 %
Consolidated Credits	14 %	Standard Chartered	14 %
Co-operative Bank	*14 %	Trade Dev. Bank	14 %
Corinthian Secs.	14 %	Trustee Savings Bank	14 %
Credit Lyonnais	14 %	Twentieth Century Bk.	15 %
The Cyprus Popular Bk.	14 %	United Bank of Kuwait	14 %
Duncan Lawrie	14 %	Whiteaway Laidlaw	14½%
Eagil Trust	14 %	Williams & Glyn's	14 %
English Transcont.	14 %	Yorkshire Bank	14 %
First Nat. Fin. Corp.	15½%		
First Nat. Secs. Ltd.	15½%		
■ Antony Gibbs	14 %		
Greyhound Guaranty	14 %		
Grindlays Bank	‡14 %		
■ Guinness Mahon	14 %		
■ Hambros Bank	14 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 11½%. 1-month deposits 11¾%.
† 7-day deposits on sums of £10,000 and under 11½%, up to £25,000, 12% and over £25,000 12¼%.
‡ Call deposits over £1,000 11½%.
§ Demand deposits 11½%.

RECENT ISSUES

EQUITIES

Issue Price p‡	Amount Paid Up	Latest Renunc. Date	1979 High	1979 Low	Stock	Closing Price p‡	+ or −	Div. F. or Amount	Times Covered	Gross Yield	P.E. Ratio
¶¶	F.P.	24/8	75	60	Arrow Chemicals	72	......	b2.0	2.3	4.0	15.5
¶¶	F.P.	—	90	80	Barlow Hldgs.	88	−2	T2.6	1.1	4.2	30.6
160	F.P.	5/9	193	188	Mercantile House	190	−3	10.72	2.3	8.1	7.8
**	F.P.	10/8	37	26	Mettoy Dfd.	33	−1	—	—	—	—
¶¶	F.P.	—	39	30	St. George Assets 10p	39	+1	bd1.0	1.5	3.7	26.3
¶¶	F.P.	—	200	168	Seltrust A. Soc.	194	+18	—	—	—	—
180	F.P.	8/8	244	192	Standard Tel.&Cables	238	......	b8.0	2.1	4.8	14.2

FIXED INTEREST STOCKS

Issue Price £	Amount Paid up	Latest Renunc. Date	1979 High	1979 Low	Stock	Closing Price £	+ or −
¶91	F.P.	21/9	87	84	Aurora 8¼ Conv. Cum. Pref.	84	......
**	F.P.	21/9	107p	101p	Bradford Prop. 10½% Cum. Pref.	107p	......
§	£10	—	12	12	Eastbourne Waterworks 8% Red. Pref.	12	......
100	F.P.	20/7	101¼	92	English & Overseas Inv. Conv.	95xd	......
¶96½	£10	30/11	12¼	8¾	Essex Water 8% Red Pref. 1984	11¾	......
¶¶	F.P.	—	73½	70	Lonrho 9% 2nd Mort. Deb. 87/92	71xd	......
¶¶	F.P.	—	90½	86	Do. 12⅜% 2nd Mort. Deb. 85-90	89xd	......
¶¶	F.P.	—	99	93	Do. 12⅞% 2nd Mort. Deb. 80-83	96xd	......
97	F.P.	24/8	99¼	97¾	Scot. Agricultural Sec. 13% Deb. 97-99	98	−¼
100p	—	7/9	103p	100p	Stonehill 10½% Cum. Prf.	102pm	......
¶98	F.P.	24/8	101½	100½	Sund. & S. Shields Water 8% 1986	101¼	......
¶98	F.P.	18/10	101¾	98½	Wrexham Water 8% 1984	101¼	......

"RIGHTS" OFFERS

Issue Price p‡	Am'unt Paid up	Latest Renunc. Date ●	Latest Renunc. Date ■	1979 High	1979 Low	Stock	Closing prices p‡	+ or −
14	F.P.	23/8	21/9	19	17	Abwood Machine Tools	18	......
110	F.P.	4/9	19/10	130	125	Bank Leumi	130	......
A$2	Nil	—	—	60pm	37pm	Bank of New South Wales	58pm	......
20	Nil	—	—	12pm	11pm	Benlox	11pm	......
21	F.P.	7/9	29/8	26	24	Dares Estates	24	......
125	Nil	—	—	24pm	17pm	Estates Property Inv.	23pm	+2
R1.20	Nil	—	—	4pm	1pm	F.U.G.I.T.	4pm	......
115	F.P.	20/8	21/9	138	124	Hay's Wharf	136	......
93	Nil	—	—	7pm	4½pm	Hepworth Ceramics	4½pm	......
30	F.P.	—	—	43	36	Lennons	39pm	−3
110	F.P.	5/9	26/9	139	120	Letraset	137	+1
5	F.P.	29/8	19/9	15½	5	London Inv. Trust	13½	+½
115	F.P.	14/9	12/10	147	120½	Macarthys Pharm.	147	......
40	Nil	—	—	10pm	9pm	Nolton	10pm	......
A$5	Nil	—	—	198pm	168pm	Peko-Wallsend	190pm	−2
¶§	Nil	—	—	90pm	76pm	Seltrust	90pm	+5
145	F.P.	13/9	19/10	224	193	Unitech	223	+2
10	F.P.	8/8	17/10	12	10½	Yorkgreen Invs.	11	+½

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. g Assumed dividend and yield. u Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. p‡ Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or takeover. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. †† Unlisted security. ‡‡ Issued as units comprising 2 Income shares and 10 Capital shares at 125p per unit.

Public Works Loan Board rates

Effective from September 8

Years	Quota loans repaid by EIP†	Quota loans repaid A‡	Quota loans repaid at maturity§	Non-quota loans A* repaid by EIP†	Non-quota loans A* repaid A‡	Non-quota loans A* repaid at maturity§
Up to 5	12½	12½	12⅝	13¼	13¼	12⅞
Over 5, up to 10	12⅝	12½	12⅝	12⅞	13	13⅛
Over 10, up to 15	12⅝	12⅝	12⅝	13⅛	13⅛	13⅛
Over 15, up to 25	12⅝	12⅝	12⅞	13⅛	13⅛	13¼
Over 25	12¾	12¾	12⅞	13½	13½	13¼

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

CORAL INDEX: Close 463-468

CURRENCIES, MONEY and GOLD

D-mark rise hits sterling

BY COLIN MILLHAM

On Friday sterling fell below $2.20 for the first time since July 10, and closed at $2.1685, the weakest level since the end of June. The pound's performance in general, as measured by the Bank of England index, appears to be in line with the movement against the dollar at first sight, with the index little changed from late June. But in terms of certain key currencies, including those of Britain's major trading partners in Europe, the picture is rather different.

Rumours of an impending revaluation of the D-mark within the European Monetary System led to heavy demand for the German currency last week. At the same time the stronger European economies have a vested interest in not allowing the dollar to fall too sharply, and several central banks, plus the U.S Federal Reserve, intervened heavily to prevent this

The foreign exchange market was already talking about sterling being overvalued in the light of the errosion of London's interest rate margin over Europe and New York and Britain's poor economic performance.

The move into D-mark's probably only accelerated the decline,

GOLD

	August 14		August 13	
Gold Bullion (fine ounce)				
Close	$344½-345¼	(£158.4-158.7)	$333¾-334½	(£151.3-151.65)
Opening	$345-345¼	(£155.4-155.7)	$334½-335¼	(£150.9-151.25)
Morning fixing	$345.75	(£158.537)	$334.35	(£150.662)
Afternoon fixing	$345.30	(£158.333)	$332.95	(£150.561)
Gold Coins				
Krugerrand	$355-358	(£163¾-164¼)	$342½-344½	(£155¼-156¼)
Mapleleaf	$370½-375½		$363-368	
New Sovereigns	$88½-90½	(£40¾-41¼)	$85½-87½	(£38¾-39¼)
King Sovs	$108½-110½	(£50-51)	$108½-110½	(£49½-50¼)
Victoria Sovs	$115½-117½	(£53-54)	$114½-116½	(£52-53)
Fr 20 Napoleon	FFr414-424	(SFr160-164)	FFr405-415	(SFr156-160)
50 pesos Mexico	$429-430		$416½-417½	
100 Cor. Austria	$337-338	--	$329-330	
$20 Eagles	$480-485		$473-478	
$10 Eagles	$286-291		$279-284	
$5 Eagles	$241-246		$234-239	

OTHER MARKETS

Sept. 14	£	$		£ Note Rates
Argentina Peso	3132-3152	1447-1457	Austria	28½-29½
Australia Dollar	1.9355-1.9450	0.8875-0.8900	Belgium	66½-67½
Brazil Cruzeiro	62.94-63.94	29.07-29.55	Denmark	11.50-11.60
Finland Markka	8.40-8.41	3.8800-3.8845	France	9.30-9.39
Greek Drachma	80.588-82.520	36.70-36.86	Germany	3.95-4.05
Hong Kong Dollar	11.06-11.08	5.0760-5.0780	Italy	1,800-1,850
Iran Rial	151.50-158.05	70-75	Japan	490-500
Kuwait Dinar (KD)	0.601-0.611	0.2764-0.2769	Netherlands	4.35-4.45
Luxembourg Frc.	63.05-63.15	29.09-29.11	Norway	11.00-11.15
Malaysia Dollar	4.7050-4.7160	2.1590-2.1620	Portugal	108-114
New Zealand Dlr.	2.1770-2.1870	0.9970-1.0000	Spain	145-148
Saudi Arab. Riyal	7.33-7.43	3.3595-3.3625	Switzerland	3.55-3.65
Singapore Dollar	4.6950-4.7060	2.1545-2.1575	United States	2.21-2.22½
Sth. African Rand	1.81-1.82	0.8320-0.8350	Yugoslavia	46-48

Rate given for Argentina is free rate.

THE DOLLAR SPOT AND FORWARD

Sept. 14	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	2.1650-2.2000	2.1675-2.1695	0.47-0.37c pm	2.32	1.10-1.00 pm	1.94
Ireland†	2.0650-2.0750	2.0650-2.0700	0.85-0.75c pm	4.93	2.50-2.20 pm	4.55
Canada	1.1610-1.1650	1.1640-1.1645	0.08-0.04c pm	0.62	0.25-0.21 pm	0.79
Nethlnd.	1.9880-1.9940	1.9910-1.9930	0.54-0.43c pm	2.95	1.55-1.45 pm	3.01
Belgium	29.07-29.11	29.08-29.10	0.5c pm-1 dis	−0.10	3-1 pm	0.27
Denmark	5.2225-5.2380	5.2300-5.2310	6.50-7ore dis	−15.48	13.7-14.7dis	−10.86
W. Ger.	1.8110-1.8140	1.8115-1.8125	0.83-0.73pf pm	5.16	2.52-2.42 pm	5.45
Portugal	49.23-49.50	49.42-49.47	24-34c dis	−7.04	70-110 dis	−7.28
Spain	66.05-66.15	66.08-66.13	75-95c dis	−15.43	195-215dis	−12.40
Italy	815.40-815.60	815.40-815.70	0.25-0.55 lire dis	−0.66	3-3.50 dis	−1.59
Norway	5.0060-5.0165	5.0135-5.0145	par-0.50ore dis	−0.60	0.30pm-0.20ds	0.40
France	4.2220-4.2400	4.2325-4.2340	0.05c pm-0.05 dis	—	0.10-0.20dis	−0.14
Sweden	4.2080-4.2245	4.2225-4.2240	0.30-0.10ore pm	0.57	0.10pm-0.10dis	—
Japan	223.20-224.10	223.20-223.40	1.05-0.90y pm	5.24	3.05-2.90 pm	5.33
Austria	13.05-13.065	13.057-13.062	5.40-4.90gro pm	4.54	15.50-14 pm	4.52
Switz.	1.6320-1.6350	1.6325-1.6335	1.40-1.35c pm	10.10	4.30-4.25 pm	10.47

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

THE POUND SPOT AND FORWARD

Sept. 14	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.1650-2.2000	2.1675-2.1695	0.47-0.37c pm	2.32	1.10-1.00 pm	1.94
Canada	2.5180-2.5600	2.5195-2.5215	0.75-0.65c pm	3.33	1.80-1.70 pm	2.78
Nethlnd.	4.31-4.39	4.31½-4.32½	2¼-1¼c pm	4.86	5¼-4¼ pm	4.75
Belgium	63.00-64.00	63.05-63.15	15-5c pm	1.90	35-25 pm	1.90
Denmark	11.34-11.51	11.34½-11.38½	11½-13½ore dis	−13.21	24-27 dis	−8.98
Ireland	1.0460-1.0570	1.0460-1.0470	20-30p dis	−3.14	72-82 dis	−2.94
W. Ger.	3.92-3.98	3.92½-3.93½	3-2pf pm	7.63	7¾-6¾ pm	7.38
Portugal	106.60-108.40	106.70-107.00	30-80c dis	−6.18	130-230 dis	−6.74
Spain	143.10-145.30	143.20-143.30	110-150c dis	−11.31	340-440dis	−10.89
Italy	1,767-1,790	1,767-1,769	3½-1½ lire pm	1.53	2¼-½ pm	0.28
Norway	10.86-11.01	10.86½-10.88½	2½-½ore pm	2.21	6¾-4¾ pm	1.93
France	9.16½-9.31½	9.17-9.18	2½-1½c pm	2.62	4-3 pm	1.53
Sweden	9.14½-9.26½	9.15-9.17	2¾-½ore pm	2.29	4½-2¾ pm	1.64
Japan	480-485	483½-484½	3.25-2.85y pm	7.69	9.00-8.65 pm	7.29
Austria	28.25-28.65	28.30-28.35	20-10gro pm	6.35	50-40 pm	6.35
Switz.	3.53-3.60	3.53½-3.54½	4¼-3¼c pm	12.70	11¾-10¾ pm	12.56

Belgian rate is for convertible francs. Financial franc 66.65-66.75c pm. Six-month forward dollar 1.98-1.82c pm, 12-month 3.55-3.45c pm.

EXCHANGE CROSS RATES

Sept. 14	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'r	Italian Lire	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.169	3.950	484.0	9.175	3.543	4.320	1768.	2.521	63.10
U.S. Dollar	0.461	1.	1.812	223.2	4.231	1.634	1.992	815.3	1.162	29.10
Deutschemark	0.254	0.552	1.	125.2	2.335	0.901	1.099	449.9	0.641	16.06
Japanese Yen 1,000	2.066	4.480	8.120	1000.	18.96	7.319	8.926	3653.	5.208	130.4
French Franc 10	1.090	2.363	4.283	527.5	10.	3.861	4.708	1927.	2.747	68.77
Swiss Franc	0.282	0.612	1.109	136.6	2.590	1.	1.219	499.1	0.712	17.81
Dutch Guilder	0.231	0.502	0.910	112.0	2.124	0.820	1.	409.3	0.583	14.61
Italian Lira 1,000	0.566	1.227	2.223	273.8	5.189	2.004	2.443	1000.	1.426	35.69
Canadian Dollar	0.397	0.860	1.559	192.0	3.640	1.405	1.714	701.4	1.	25.03
Belgian Franc 100	1.585	3.437	6.228	767.0	14.54	5.614	6.846	2802.	3.994	100.

LONDON MONEY RATES

Sept. 14 1979	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	13-14⅛	—	—	—	14-13¾	12¾-14	—	—	—
2 days notice	—	—	14¼	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	13¾-13⅞	14⅛-14¼		14½	14¼	13⅝-14	—	—	—
One month	14⅛-14	13{15/16}-14	14¼-14⅜	15-14¾	14½	14⅜	13⅞	13{23/32}	14{7/16}-14{13/32}	14⅝
Two months	14{1/16}-14{1/16}	14⅛-14¼	—	14⅞-14⅝	14⅛	—	13⅞	13{23/32}	14¼-14{3/16}	14½
Three months	14{1/16}-14{1/16}	14⅛-14¼	14{1/16}-14¼	14⅜-14	14⅛	14⅜	13¾	13{7/16}	14{1/16}-14⅜	14⅜
Six months	13¾-13⅝	13{27/32}-13{13/32}	13⅞	13¾-13⅝	14⅝	—	—	—	13{11/16}-13{11/16}	13⅞
Nine months	13½-13¼	13⅜-13½	—	13¾-13⅝	13⅞	—	—	—	—	—
One year	13{1/16}-13	13⅛-13¼	13-13⅛	13⅜-13⅛	15⅛	—	—	—	—	—
Two years		—	13-15⅛	—	—	—	—	—	—	—

Local authority and finance houses seven days' notice, others seven days fixed. *Long-term local authority mortgage rates nominally three years 13-13¼ per cent; four years 13-13½ per cent; five years 13-13¼ per cent. ♦Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 13¾-13{25/32} per cent; four-month trade bills 14¼ per cent.

Approximate selling rate for one-month Treasury bills 13 11-64ths-13{3/16} per cent; two-month 13 19-64ths-13{5/16} per cent; three-month 11{11/32}-11 23-64ths per cent. Approximate rates for one-month bank bills 14{5/16} per cent; two-month 14{1/8}-14{3/16} per cent; and three-month 13{31/32}-14 per cent; one-month trade bills 14⅝ per cent; two-month 14¼ per cent; and three-month 14⅛ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 14½ per cent from September 1, 1979. Clearing Bank Deposit Rates for small sums at seven days' notice 11½-12 per cent. Clearing Bank Rates for lending 14 per cent. Treasury Bills: Average tender rates of discount 13.4027 per cent.

CURRENCY RATES

Sept. 14	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	14	0.596601	0.636180
U.S. $	10½	1.29834	1.38554
Canadian $	12¼	1.50958	1.60909
Austria Sch	3¾	16.9524	18.0651
Belgian F.	9	37.7882	40.3329
Danish K	11	6.79876	7.25189
D Mark	5	2.35480	2.51295
Guilder	8	2.58864	2.75971
French Fr.	9½	5.50495	5.87389
Lira	10½	1058.80	1129.90
Yen	5¼	290.698	310.316
Nrwgn. K	7	6.50468	6.94569
Spanish Pes.	8	85.7476	91.5493
Swedish Kr.	7	5.46656	5.85008
Swiss Fr.	1	2.12094	2.26189

INSURANCE

Legal expenses risks should be covered

BY OUR INSURANCE CORRESPONDENT

LEGAL EXPENSES insurance—the provision of cover for the cost of going to court—continues very much to be the cinderella of the British insurance market. Until recently only two organisations offered cover: DAS Legal Expenses Insurance of Bristol, partly owned by Phoenix Assurance, and Strover, brokers at Colchester, whose policies are underwritten at Lloyd's.

Now a third insurer, Economic Insurance, has entered the arena, albeit to a limited extent, since it is offering legal expenses insurance only as an optional extra for holders of its household shop and liability policies, in contradiction to DAS and Strovers, who sell unlinked legal expenses cover.

Economic, established here in 1901, was bought a few years ago by the Groupe des Assurances Alsaciennes, of Strasbourg, which has been in business since 1820. Among its other activities, it sells legal expenses insurance in France. Economic is a relatively small composite, with close on £13.5m premium income from all classes of business in 1978. Last year the Groupe des Assurances Alsaciennes had a total premium income of £125m from its operations in France, the low countries and Spain.

It is arguable that by tying legal expenses cover to its existing traditional policies, Economic Insurance is not greatly expanding the availability of such cover in this country. However, Economic may be a step or two ahead of other larger British companies in marketing cover on this linked basis.

Every insurer with motor, household, commercial property policyholders has a sizeable market which can be exploited by the offer of legal expenses as an optional extra — and that offer can be communicated relatively cheaply when renewal documents are sent out. The question is whether those policyholders would respond in sufficient numbers.

More insurers

Sometime soon the report of the Royal Commission on Legal Services will be published and part of that report will deal with the question of how best to enable the citizen to get the legal help and advice he needs. It could be provided by improvement of State sector finance (which in real terms continues to diminish) by expansion of private sector insurance, or by some mixture of both.

But whatever the Royal Commission may have to recommend in the public sector, however cogently the arguments are put, we must assume that in the next couple of years or so extra public money will just not be made available.

So unless the Royal Commission comes down heavily against the provision of legal expenses insurance, the time is surely right for more insurers to enter the British market. They need to compete for the relatively small amount of business already written, which can only lead to rate cutting and unprofitability, but they should positively and substantially increase the number of policyholders, both private and commercial, by making the public generally aware of the protection that is available.

In other words, demand has to be created — and I doubt whether this can be done by just the two specialist organisations now operating here even with the assistance of Economic Insurance.

Legal expenses

Take the domestic sector: any company contemplating a mail drop on its motor or household policyholders starts from the disadvantage that most probably it will be asking each for more premium at this renewal than was collected last year, certainly in inflationary terms, and perhaps in real terms as well.

Maybe we are all resigned to such increases, and bear them philosophically but I guess that only a few will want to dig deeper into their pockets to find more premium for the optional extra of legal expenses cover, however much we might really need it some time in the next five years, if not immediately.

We are back to the problem, how can insurers create demand? Perhaps the expected Royal Commission report will give the market, and the insuring public the stimulus it needs.

APPOINTMENTS

New chief for Carters Seeds

Mr. John Harwood has been appointed managing director of CARTERS TESTED SEEDS, Llangollen, North Wales. He joined Carters from its sister company, R. and G. Cuthbert Hardware where he was sales director and also managing director of the Johnson Gibbons wholesaling company at Stevenage, Herts. Mr. Harwood is also managing director of the Horticultural and Botanical Association, the holding company for Carters, Cuthberts and Dobies Seeds. Carters Tested Seeds is a British seed subsidiary of the chemical, industrial and consumer goods corporation, Kema-Nobel, whose headquarters are in Sweden.

*

Mr. D. R. Stone has succeeded Mr. R. S. Mills as managing director of GILLETTE INDUSTRIES, and Mr. J. W. Runacres has been made a director. Mr. G. B. Douthwaite and Mr. J. W. Symons have been made directors of GILLETTE UK.

*

The BRITISH PAPER AND BOARD INDUSTRY FEDERATION has appointed Mr. C. F. Robinson as secretary. He succeeds Mr. K. Harvey Proctor, newly elected MP for Basildon (Essex). Mr. Robinson entered the paper and board industry via the Dickinson Robinson Group where he became director and general manager, Kent Kraft Mills, then director, John Dickinson and Co. and finally chief executive, paper and board division, John Dickinson.

*

Mr. Peter J. Hendrick has joined the Board of PERANCEA as managing director from R. S. Components, where he was buyer.

*

Mr. Dixon Gunn of St. Columb Major, Cornwall, has been elected president of the BRITISH VETERINARY ASSOCIATION. Other officers elected for the coming year were: senior vice-president Mr. Mike Stockman, Barnet, Hertfordshire; junior vice-president Mr. John Tandy, St. Helens, Merseyside; honorary secretary Dr. Tom Gibson, Weybridge, Surrey; and honorary treasurer Mr. Peter Clarke, Uckfield, Sussex.

*

Mr. Jonathan H. Davies has joined the Board of ASSOCIATED BRITISH ENGINEERING.

*

One of the youngest NATIONAL FREIGHT CORPORATION directors, 32-years-old Mr. Alan Jones, takes over as regional director of Roadline's London Region, on September 24. Previously he was regional director of the smaller Midlands Region which he guided to a record trading profit of nearly £1.3m last year. He joined the NFC five years ago as a finance manager.

*

Mr. Brian Rawlins, director of information services of the University of Keele, has been elected chairman of the Standing Conference of University Information Officers for 1979-80.

*

STANDARD LIFE ASSURANCE COMPANY, Edinburgh, has appointed Mr. A. S. Fernie to be executive vice-president in Canada. Mr. Fernie will succeed Mr. J. C. Burns as president, Canadian operations, on Mr. Burns' retirement.

Meadows starts Finland service

FREIGHT FORWARDER Thomas Meadows has started a service between Britain and Finland, operating from the company's Nottingham office.

Cargo for Finland can be deposited at any Meadows branch in the Midlands and the company monitors loads all the way to Helsinki. Cargo leaves Nottingham each Friday and arrives the following Tuesday.

TEL AVIV

Company	Prices Sept. 16 1979	Change on the week
Bank, Insurance and Finance		
Bank Leumi le Israel	441	+ 4.0
IDB Bankholding	524	− 5.0
Bank Hapoalim Br.	542	+ 6.0
Union Bank of Israel Br	402	+ 2.0
United Mizrahi Bank	316	+ 2.0
Hassneh Insurance Br	207	− [illegible]
Gen. Mortgage Bank Br	339	− 3.0
"Tefahot" Israel Mrtge	255	+ [illegible]
Land Development		
Af. Israel Inv. (I£103)	1,025	− 85.0
Israel Land Develop. Br	185	− 12.0
Property and Building	399	− [illegible]
Public Utility		
Israel Electric Corp.	245	− 43.0
Investment Companies		
Bank Leumi Invest.	369	− 11.0
"Clal" Israel Invest.	600	− 10.0
Discount Invest.	[illegible]	− 11.0
Commercial and Industrial		
Alliance Tyre & Rubber	1,617b	+317.0
Elco Br.	240	− 19.0
Argaman Textile Br.	492	− 93.0
"Ata" Textile "B"	153	− 9.0
Amer. Israeli Ppr. Mills	800	− 8.0
Assis	585	− 30.0
Elite	300	−211.0
Teva Reg.	554	− 34.0
Fuel and Oil		
Delek	220	− 34.0

Source: Bank Leumi le-Israel BM, Tel Aviv. b Bid.

WORLD STOCK MARKETS

Indices

NEW YORK—DOW JONES

	Sept. 14	Sept. 13	Sept. 12	Sept. 11	Sept. 10	Sept. 7	1979 High	1979 Low	Since Compil'n High	Since Compil'n Low
● Industr'ls	875.10	878.73	876.90	869.71	876.86	874.15	897.58 (31/8)	807.00 (27/2)	1051.70 (11/73)	41.22 (2/7/32)
H'me B'nds	85.59	85.55	85.85	85.82	85.86	84.16	86.10 (15/8)	82.92 (8/5)	—	—
Transport	265.90	265.93	268.96	268.81	268.62	258.57	271.77 (15/8)	205.78 (27/2)	279.88 (7/2/69)	12.25 (8/7/32)
Utilities	107.00	107.48	108.19	107.71	108.09	108.42	109.61 (25/8)	98.51 (15/5)	165.32 (20/4/69)	10.58 (28/4/42)
Trading Vol 000's	42,[illegible]	35,[illegible]	33,[illegible]	42,330	33,110	34,448	—	—	—	—

● Day's high 884.56 low 868.60

Ind. div. yield %	Sept. 7	Aug. 31	Aug. 17	Year ago (approx)
	5.67	5.58	5.57	5.21

STANDARD AND POORS

	Sept. 14	Sept. 13	Sept. 12	Sept. 11	Sept. 10	Sept. 7	1979 High	1979 Low	Since Cmpil'n High	Since Cmpil'n Low
‡Indust'ls	121.25	120.12	120.67	119.64	120.42	119.85	121.57 (31/8)	107.08 (27/2)	134.64 (11/1/73)	3.52 (30/6/32)
§Composite	108.76	107.85	107.82	107.51	108.17	107.66	109.32 (31/8)	96.13 (27/2)	125.85 (11/1/73)	4.40 (1/6/32)

	Sept. 13	Sept. 5	Aug. 22	Year ago (approx)
Ind. div. yield %	5.05	5.12	4.98	[illegible]
Ind. P/E Ratio	12.32	7.87	8.49	9.88
Long Gov. Bond Yield	9.11	9.11	8.96	8.33

N.Y.S.E. ALL COMMON

Sept. 14	Sept. 13	Sept. 12	Sept. 11	1979 High	1979 Low
62.08	61.53	61.46	61.29	62.40 (31/8)	53.88 (27/2)

Rises and Falls	Sept. 14	Sept. 13	Sept. 12
Issues Traded	1,882	1,889	1,848
Rises	994	1,758	[illegible]
Falls	486	708	664
Unchanged	372	439	397
New Highs	—	69	50
New Lows	—	20	31

	Sept. 14	Sept. 13	Sept. 12	Sept. 11	1979 High	1979 Low
MONTREAL Industrial	312.66	309.05	310.53	309.54	312.66 (14/9)	219.18 (2/1)
Combined	300.58	297.81	298.98	296.18	300.58 (14/9)	226.60 (2/1)
TORONTO Composite	1761.9	1718.0	1727.1	1719.7	1761.9 (14/9)	1316.3 (2/1)
JOHANNESBURG Gold	543.2	538.8	545.8	542.1	545.2 (6/9)	223.4 (17/4)
Industrial	356.2	356.5	356.6	356.7	366.9 (12/8)	270.5 (2/1)

	Sept. 14	Previous	1979 High	1979 Low
Australia (¶)	672.59	669.05	672.58 (14/9)	545.72 (2/1)
Belgium (‖)	105.86	105.94	109.00 (5/7)	98.80 (3/1)
Denmark (**)	95.77	94.62	97.46 (25/7)	89.32 (9/1)
France (††)	98.2	95.6	98.2 (14/9)	71.5 (15/2)
Germany (‡‡)	787.10	785.80	839.6 (18/1)	719.4 (7/8)
Holland (§§)	74.5	74.8	85.3 (24/1)	71.3 (7/8)
Hong Kong (¶¶)	695.81	686.32	695.78 (13/9)	493.83 (2/1)
Italy (‖‖)	85.38	87.77	89.68 (31/8)	68.38 (2/1)
Japan (a)	456.24	455.50	462.97 (31/1)	436.13 (13/7)
Singapore (b)	400.91	401.56	406.30 (17/8)	346.34 (23/2)
Spain (d)	91.67	91.15	111.06 (3/5)	91.07 (14/9)
Sweden (e)	343.48	342.48	401.34 (6/2)	357.37 (11/9)
Switzerl'd (f)	317.3	317.3	329.1 (3/5)	294.0 (3/1)

Indices and base dates (all base values 100 except NYSE All Common — 50; Standards and Poors—10; and Toronto 300—1,000; the last named based on 1975). † Excluding bonds. ‡ 400 Industrials. § 400 Industrials, 40 Utilities, 40 Finance and 20 Transport. ¶ Sydney All Ordinary. ‖ Belgian SE 31/12/63. ** Copenhagen SE 1/1/73. †† Paris Bourse 1961. ‡‡ Commerzbank Dec. 1953. §§ Amsterdam Industrial 1970. ¶¶ Hang Seng Bank 31/7/64. ‖‖ Banca Commerciale Italiana 1972. a Tokyo New SE 4/1/68. b Straits Times 1966. c Closed. d Madrid SE 29/12/78. e Stockholm Industrial 1/1/58. f Swiss Bank Corporation. g Unavailable.

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Transwrl.	787,800	23¼	—
Mobil	606,500	50⅝	+2
General Motors	490,400	61¼	+1
IBM	489,800	67⅞	+1
Dr. Pepper	489,400	18¼	+1
Gulf Oil	453,500	33¼	+
Occidental Petrlm.	378,700	25¼	+
Allied Chemical	367,700	41½	+2
Clorox	354,600	13⅛	+
N. Eng. Nuc.	340,600	30¼	+

EUROPE

AMSTERDAM

Sept. 14	Price Fls.	+ or −	Div. %	Yld. %
Ahold (Fl.20)	89.5	−0.5	22	4.9
Akzo (Fl.20)	29.0	−0.4	—	—
Alg'mBk (Fl100)	335	−1	A25	7.5
Amev (Fl.10)	100.5	+1.2	60	6.0
Amrob'k (Fl.20)	71.1	−0.5	25	7.0
[illegible]				

BRUSSELS/LUXEMBOURG

Sept. 14	Price Frs.	+ or −	Div. Frs. Net	Yld. %
Arbed	2,585	+55	—	—
Bekaert "B"	2,880	−45	150	5.4
C.B.R. Cement	1,050	+25	80	7.6
Cockerill	414	+7	—	—
[illegible]				

SPAIN ♥

September 14	Per cent	
Asland	109	—
Banco Bilbao	248	—
Banco Central	274	− 2
Banco Exterior	257	− 5
B. Granada (1,000)	134	—
Banco Hispano	242	—
Bco. I. Cat. (1,000)	153	—
Banco Madrid	192	—
[illegible]		

TOKYO ¶

Sept. 14	Prices Yen	+ or −	Div. %	Yld. %
Asahi Glass	394		14	[illegible]
Canon	597	−11	12	1.0
Casio	786	−24	25	1.6
Chinon	367	−1	20	[illegible]
Dai Nippon Print	664	[illegible]	18	[illegible]
Fuji Photo	662	[illegible]	15	[illegible]
Hitachi	257	+6	12	[illegible]
[illegible]				

VIENNA

COPENHAGEN

GERMANY

MILAN

OSLO

PARIS

STOCKHOLM

SWITZERLAND

HONG KONG

BRAZIL

AUSTRALIA

JOHANNESBURG

WALL STREET

NEW YORK

CANADA

ROYAL DUTCH PETROLEUM COMPANY

(N.V. Koninklijke Nederlandsche Petroleum Maatschappij)

Established at The Hague, The Netherlands

INTERIM DIVIDEND 1979

The Supervisory Board and the Board of Management of the Company have declared on account of the expected total dividend in respect of the year 1979, an interim dividend amounting to Netherlands Guilders 5.50 per share on its outstanding shares of 20 guilders par value.

A. On the Bearer Shares

(i) This interim dividend will be payable against surrender of coupon No. 166 on or after 25th September, 1979 at the offices of N. M. Rothschild & Sons Limited, New Court, St. Swithin's Lane, London EC4P 4DU on business days between the hours of 9.30 a.m. and 2 p.m.

Payment will be made in sterling at the buying rate of exchange current in Amsterdam at 2 p.m. on 18th September, 1979, in the case of coupons presented on or before that date, or on the day of presentation in the case of coupons presented subsequently. In view of the fact that Netherlands guilder funds are being provided by the Company for payment of this dividend, the usual foreign exchange commission will be deducted from the sterling proceeds. Coupons must be accompanied by a presentation form, copies of which can be obtained from N. M. Rothschild & Sons Limited, and the face of each coupon must bear the stamp or other indication showing the name of the presenter.

Coupons must be left for an appropriate period for examination and must be handed in personally. Coupons cannot be paid through the post.

In the case of shareholders not resident within the Scheduled Territories the paying agent may, at the request of the Authorised Depositary presenting the coupons, pay the dividend in a different currency. Information in this respect will be supplied by the paying agent upon request.

Netherlands dividend tax at the reduced rate of 15 per cent will be deducted from the gross dividend where:

(a) United Kingdom income tax has also been deducted;

(b) Coupons are presented on behalf of residents of the United States of America, Australia, Austria, Belgium, Canada, Denmark, Finland, France, Ireland, Japan, Luxembourg, Netherlands Antilles, Norway, South Africa, Spain, Sweden or West Germany, provided they lodge the appropriate declaration form.

Netherlands dividend tax at the reduced rate of 20 per cent will be deducted from the gross dividend where coupons are presented on behalf of residents of Indonesia or Surinam, provided they lodge the appropriate declaration form.

In all other cases Netherlands dividend tax of 25 per cent is to be deducted.

(ii) On 25th September, 1979, this interim dividend will be paid to Depositaries admitted by Centrum voor Fondsenadministratie B.V., Amsterdam, on the shares whose dividend sheets were in their custody at the close of business on 14th September, 1979. Such payment will be made through the medium of N. M. Rothschild & Sons Limited, after receipt by them of a duly completed CF Dividend Claim Form.

Where appropriate, the usual affidavit certifying non-residence in the United Kingdom will also be required if payment is to be made without deduction of United Kingdom income tax.

Where under the double tax agreement between the United Kingdom and the Netherlands 15 per cent Netherlands dividend tax has been withheld, the 15 per cent Netherlands tax is allowable for a resident of the United Kingdom as a credit against the United Kingdom income tax payable in respect of the dividend. The deduction of United Kingdom income tax at the reduced rate of 15 per cent instead of at the Basic Rate of 30 per cent represents a provisional allowance of credit at the rate of 15 per cent.

B. On the Registered Shares registered in the United Kingdom Section of the Amsterdam Register

The sterling amount of this interim dividend is fixed at 124.901p per share based on the sterling/guilder rate of exchange, being N.fls 4.4035 = £1, current in Amsterdam on 13th September, 1979.

The record date will be 24th September, 1979; shareholders registered at the close of business on that date will be entitled to receive the dividend.

On or before 16th October, 1979 dividend warrants will be posted by the transfer agent, Algemene Bank Nederland N.V., Amsterdam, to shareholders registered in their books on the record date.

From the dividend on the registered shares Netherlands dividend tax of 25 per cent has also to be deducted. Where under the relevant tax convention shareholders are entitled to a reduction of the Netherlands dividend tax, this can only be effected through a request for a partial refund of the tax withheld on the appropriate tax affidavit.

17th September, 1979 ROYAL DUTCH PETROLEUM COMPANY

HONG KONG

COMPANY NOTICES

AKTIEBOLAGET SVENSK EXPORTKREDIT
(Swedish Export Credit Corporation)
7½% NOTES 1983

S. G. WARBURG & CO. Ltd., announce that the sixth instalment of bonds for a nominal value of U.S. Dollars 1,800,000 have been purchased for redemption on 15th October, 1979.

U.S. Dollars 14,200,000 nominal amount will remain outstanding after 15th October, 1979.

30 Gresham Street,
London EC2P 2EB.
17th September, 1979.

COMPANY NOTICES

KOMATSU FORKLIFT CO., LTD. (CDRs)

The Board of Directors of Komatsu Forklift Co. Ltd. has announced that shareholders, who will be registered in the books of the Company on September 29th, 1979 will be entitled to receive a 10% gratis distribution of new shares.

Consequently the undersigned designated div.cp.no. 7 of the CDRs for this purpose.

In Japan the shares are traded ex-bonus as from September 26th, 1979.

Amsterdam, September 5th, 1979.

AMSTERDAM DEPOSITARY COMPANY N.V.

DAVIES AND METCALFE LTD.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Company will be closed from 24th September, 1979 to 27th September 1979, both dates inclusive.

By Order of the Board.
R. ALLEN, Secretary.

Injector Works,
Romiley,
Cheshire.

WEEK'S FINANCIAL DIARY

The following is a record of the principal business and financial engagement during the week. The Board meetings are mainly for the purpose of considering dividends and official indications are not always available whether dividends concerned are interims or finals. The sub-divisions shown below are based mainly on last year's timetable.

TODAY

COMPANY MEETINGS—
Anglo-American Asphalt, Vale Road, Tonbridge, Kent, 3
Bridgend Processes, Winchester House, 77, London Wall, EC, 10.30
Firth (G. M.) (Metals), Victoria Hotel, Bradford, 11.30
Rothschild Inv. Tst., New Court, St. Swithin's Lane, EC, 11.30
Siebe Gorman, Winchester House, 100, Old Broad Street, EC, 12.30
Vibroplant, Queens Hotel, Leeds, 1
Whitehouse (G), Plough and Harrow Hotel, Hagley Road, Edgbaston, 11.30

BOARD MEETINGS—
Finals:
F. and C. Eurotrust
Jentique
Minerals and Resources Corp.
Interims:
Black (A. and C.)
Black and Edgington
Cory (Horace)
Federated Land and Building
J.B. Holdings
Low and Bonar
Ransomes, Sims and Jefferies
Simon Engineering
Sykes (H.)
United Biscuit

DIVIDEND & INTEREST PAYMENTS—
Agricultural Mortgage Var. Rate Bds. Red. £6.3063
Albion 1p
Astra Ind. 0.9p
Brit. Guiana 5pc 1980-85 2½pc
Denbyware 4.058048p
Greycoat Ests. 0.28p
Honeywell Inc. 65 cts.
Idris Hydraulic Tin 3p
Interpublic Grp. 40 cts.
Leumi Intnl. Invs. NV Flto-RateNts. 1984 US$ 58.45
Nrthrn. Ind. Inv. Tst. 1.7p
Parana (State of) 7pcConsBds. (Plan A-Int. now 2¼pc) 1¼pc
Plastics Constructions 0.836p
Ransom (Wm.) 3.63p
Treasury 12pc 1983 6pc. Do. 12pcA 1983 £7.9890. Do. 3pc 1979 1½pc
Waddington (J.) 8.69p

TOMORROW

COMPANY MEETINGS—
Airfix Inds., 17, Old Court Place, Kensington, W, 12
Brady Inds., New Islington Works, Ancoats, Manchester, 12
Bristol Evening Post, Temple Way, Bristol, 12
Gresham Inv. Tst., Barrington House, Gresham Street, EC, 12
Group Investors, 2, St. Mary Axe, EC, 2.30
Hazlewoods (Proprietary), Empire Works, Rowditch, Derby, 12
Leboff (S.) (Fobel), Hendon Hall Hotel, Parson Street, Hendon, NW, 11
Moorgate Mercantile, Great Eastern Hotel, Liverpool Street, EC, 12
Polymark Intnl., Jeddo Road, Shepherds Bush, London, W, 3
Redland, Plaisterers Hall, 1, London Wall, EC, 12.15

BOARD MEETINGS—
Finals:
Elder Smith Goldsbrough Mort.
Mills and Allen Intl.
Ricardo Consulting Engineers
Scholes (G. H.)
Zetters
Interims:
Aurora
Bank of Scotland
Bemrose
Bodycote Intl.
Corinthian Hldgs.
Ibstock Johnsen
Inveresk
Law Land
Matthews (Bernard)
Rolls-Royce Motors
Rosedimond Investment Trust
Royco
Willis Faber

DIVIDEND & INTEREST PAYMENTS—
Giltspur 2.3p
Gresham Inv. Tst. 1.55p
Rothschild Inv. Tst. 7p

WEDNESDAY, SEPTEMBER 19

COMPANY MEETINGS—
Allen (W. G.) and Sons (Tipton), Station Hotel, Dudley, W. Midlands, 12
Cooper Inds., Castle Hill, Dudley, 12
Marling Inds., Charing Cross Hotel, WC, 12
Prov. Cities Tst., 52-56, Osnaburgh Street, NW, 3
Rothmans Intnl., Dorchester Hotel, Park Lane, W, 12.30
Routledge and Kegan Paul, Partridge House, Henley-on-Thames, 5.15
Utd. Dominions Tst., The Baltic Exchange, 14-20, St. Mary Axe, EC, 12

BOARD MEETINGS—
Finals:
Burns-Anderson
Guinness Peat
Harrisons Malaysian Ests.
Sandhurst Marketing
Walker (J.) Goldsmith and Silversmith
Interims:
Brixton Estate
Gibbs (A.)
Mackay (H.)
Molins
Rio Tinto-Zinc
Rowntree Mackintosh
Warne Blake Bearne

DIVIDEND & INTEREST PAYMENTS—
Adams and Gibbon 1.75p
Allen (W. G.) and Sons (Tipton) 2.16p
Beales (J.) Ln. 3¼pc
Ransomes Sims and Jefferies 5½pcPf. 1.925pc
Spencer (G.) 4pcPf. 2pc
Treasury 11½pc 2001-04 £5.7494

THURSDAY, SEPTEMBER 20

COMPANY MEETINGS—
British Land, Mayfair Hotel, Berkeley Street, W, 12
Distillers, North British Hotel, Edinburgh, 12.15
Gordon and Gotch, 30, St. Bride Street, EC, 12
MFI Furniture, Wembley Conference Centre, Empire Way, Wembley, Middx., 12
Magnet and Southerns, Midland Hotel, Manchester, 12
Norton (W. E.), Royal Automobile Club, Pall Mall, SW, 12
Phoenix Timber, Phoenix House, Manor Way, New Road, Rainham, 12
Preedy (A.), Burnt Tree House, Tipton, 5.45
Ratners (Jewellers), The Churchill Hotel, 30, Portman Square, W, 12
Southerns-Evans, Midland Hotel, Manchester, 12
Sanley (B.), Dorchester Hotel, Park Lane, W, 12.30
Suter Electrical, 61-71, Hallam Road, Nelson, Lancs., 12
Trustees Cpn., Winchester House, 77, London Wall, EC, 12.45
Unigate, Grosvenor House, Park Lane, W, 12

BOARD MEETINGS—
Finals:
Dowding and Mills
Croda Intl.
G.T. Japan Inv. Trust
Telefusion
Interims:
Amalgamated Metal
Brown Boveri Kent
Cowdray
Delta Metal
Garton Engineering
Guest Keen and Nettlefolds
Harris and Sheldon
Hestair
Highcroft Investment Trust
Hoskins and Horton
Leadenhall Sterling
Leyland Paint and Wallpaper
London and Holyrood Trust
London and Provincial Trust
Manders
Perry (H.) Motors
Sedgwick Forbes Bland Payne
Selection Trust
Steetley
Stone-Platt Industries
Tronoh Mines Malaysia Berhad
Wagkin
Williams and James (Engineers)

DIVIDEND & INTEREST PAYMENTS—
Cameron (J. W.) Dbs. 2¼pc 3¼pc 3½pc
Debenhams 4.332442p
Dobson Park Inds. 1.65p
Kamunting Tin Dredging (M.) Berhad 40 cts.
M and G American and Gen. Fund Inc. 0.4p
M and G Magnum Fund Inc. 3.6p
SGB 3.15p
Sthrn. Kinta Consd. (M.) Berhad 90 cts.
Sungei Besi Mines Malaysia Berhad 43.12114p

FRIDAY, SEPTEMBER 21

COMPANY MEETINGS—
Electrocomponents, Great Eastern Hotel, Liverpool Street, EC, 12
Hob Robinson, The Baltic Exchange, 14-20, St. Mary Axe, EC, 12.15
Jacksons Bourne End, Bourne End, Bucks., 11.45
Midland Tst., Moor Green, Moseley, Birmingham, 3.30
Property Sec. Inv. Tst., 13, St. Swithin's Lane, EC, 12.15
Smith (David S.), Kingsley Hotel, Bloomsbury Way, WC, 12
Smith Whitworth, Midway Hotel, Manchester Road, Castleton, Rochdale, 11
Unitech, Great Eastern Hotel, Liverpool Street, EC, 12
Ward and Goldstone, Midland Hotel, Manchester, 12

BOARD MEETINGS—
Interims:
Bridgewater Estates
Jourdan (Thomas)
Laporte Industries
Liberty
Sparrow (G.W.)
Ward White

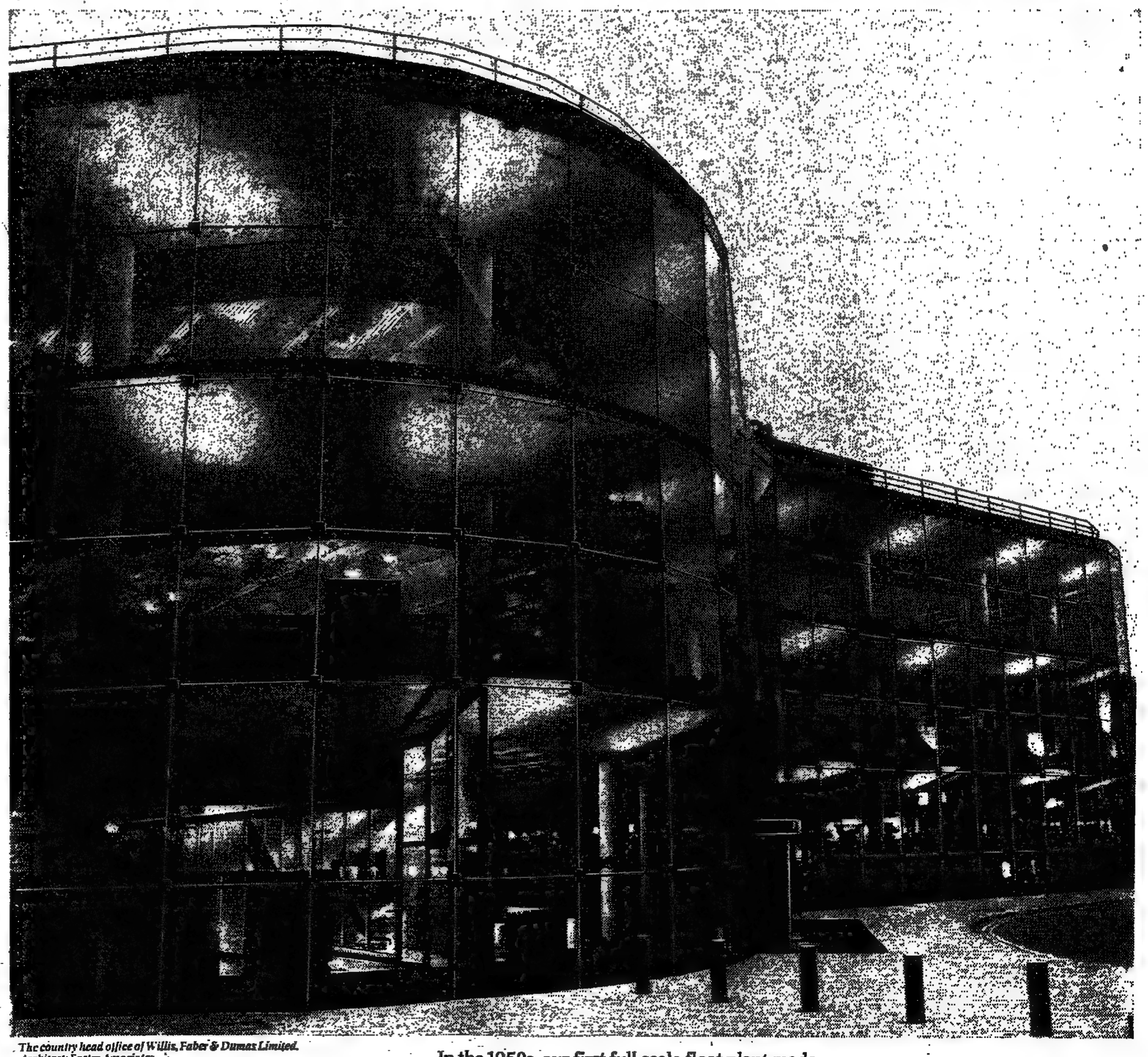
DIVIDEND & INTEREST PAYMENTS—
Chester Waterworks 4.2pc (fmly. 6pc max.) Ord. 2.1pc. Do. 3.15pc (fmly. 4½pc) Rd. Pf. 1979-84 1.575pc. Do. 3.85pc (fmly. 5½pc) Rd.Pf. 1983-88 1.925pc. Do. 4.55pc (fmly 6½pc) Rd.Pf. 1983-85 2.275pc. Do. 3.15pc (fmly. 4½pc) Pf. 1.575pc
Comfort Hotels 3.056p
Gordon and Gotch 2.948p
Hawker Siddeley 2.9375p
Horizon Travel 1.87p
Pfizer Inc. 33 cts.
Prov. Cities Tst. 0.15p. 2nd 0.89p
Trustees Cpn. 4.2p
Vosper 2.6p
Westwood Dawes 1p

SATURDAY, SEPTEMBER 22

DIVIDEND & INTEREST PAYMENT—
Exchequer 9¼pc 1982 4⅝pc

SUNDAY, SEPTEMBER 23

DIVIDEND & INTEREST PAYMENT—
Surck 5¼pc



The country head office of Willis, Faber & Dumas Limited.
Architect: Foster Associates.

CITY OF TURIN

6½% Sterling/Deutsche Mark Bonds 1964/1984

S. G. WARBURG & CO. LTD., announce that the redemption instalment of £330,000 due 15th October, 1979 has been met by purchases in the market to the nominal value of £59,400 and by a drawing of Bonds to the nominal value of £270,600.

The distinctive numbers of the Bonds, drawn in the presence of a Notary Public, are as follows:—

£500 Bonds

324 to 329	331 332	335 336	341 to 344	348 349
361 to 363	366	370 to 376	378	407 to 412
416 to 438	440 to 448	455 460	462 463	468 to 474
496 497	514 553	556 563	565 to 568	571 to 573
575 to 581	586 to 588	590 to 592	594 595	803 to 812
822 826	827	829 to 833	835 to 846	850
903 to 914	922 927	928	933 to 940	945 to 950
954	966 to 970	974 to 983	1002 to 1006	1012 to 1014
1027 1028	1030 to 1033	1036 to 1038	1041 to 1044	1048 to 1050
1065 1066	1069	1071 to 1074	1077 1088	1094 to 1096
1112 to 1114	1120	1122 to 1140	1143 to 1145	1160 1169
1175 to 1177	1208 1209	1211 1212	1215	1221 to 1228
1239 to 1271	1278 to 1281	1283 1284	1292 to 1295	1301 to 1304
1306 to 1309	1315 to 1317	1319 to 1323	1325 to 1336	1340 1341
1343	1357 to 1360	1371	1475 to 1484	1487
1489 to 1492	1498 to 1508	1517 to 1523	1525	1534 to 1551
1555 to 1558	1560 1561	1565	1569 to 1573	1575 1583

£100 Bonds

12946 to 12983	12988 to 13070	13081 to 13092	13096 13097	13099 to 13101
13105 to 13135	13141 to 13165	13168 to 13180	13189 to 13193	13207 to 13256
13276 to 13320	13327 to 13445	13448 to 13541	13562 to 13569	13572 to 13655
13657 to 13692	13695 to 13715	13723 to 13727	13730 13731	

On 15th October, 1979 there will become due and payable upon each Bond drawn for redemption the principal amount thereof, together with accrued interest to said date at the office of:—

S. G. WARBURG & CO. LTD.,
30, Gresham Street, London, EC2P 2EB

or with one of the other paying agents named on the Bonds.

Interest will cease to accrue on the Bonds called for redemption on and after 15th October, 1979 and Bonds so presented for payment must have attached all coupons maturing after that date.

£1,700,000 nominal Bonds will remain outstanding after 15th October, 1979.

The following Bonds from earlier redemptions have not yet been presented for payment:—

1976
£500 Bond No. 161

1977
£100 Bond Nos. 9760 9761 9762 10097

1978
£100 Bond Nos. 11598 12371 12372 12373

30, Gresham Street, London, EC2P 2EB. 17th September, 1979

LEGAL NOTICES

IN THE MATTER OF
L. E. R. NAVARRO LIMITED
AND IN THE MATTER OF
THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the creditors of the above-named Company, which is being voluntarily wound up, are required, on or before the 18th day of October, 1979, to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned

KEITH DAVID GOODMAN, FCA,
of 3/4 Bentinck Street,
London, W1A 3BA

the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 6th day of September, 1979.

K. D. GOODMAN, Liquidator.

IN THE MATTER OF
SPORTCARE LIMITED
AND IN THE MATTER OF
THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the creditors of the above-named company, which is being voluntarily wound up, are required, on or before the 1st day of October, 1979, to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims and the names and addresses of their Solicitors (if any), to the undersigned

MORRIS RAYMOND DORRINGTON
of 4 Charterhouse Square,
London EC1M 6EN,

the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 20th day of August 1979

K. D. GOODMAN,
M. R. DORRINGTON
Liquidators

IN THE MATTER OF
ALAN BURROW, JOHN LIVOCK (HARPENDEN) LIMITED
AND IN THE MATTER OF
THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the creditors of the above-named company, which is being voluntarily wound up, are required, on or before the 1st day of October, 1979, to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned

MORRIS RAYMOND DORRINGTON
of 4 Charterhouse Square,
London EC1M 6EN,

the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 20th day of August, 1979.

K. D. GOODMAN,
M. R. DORRINGTON,
Liquidators

IN THE MATTER OF
MONTAGUE JOYCE LIMITED
AND IN THE MATTER OF
THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the creditors of the above-named company, which is being voluntarily wound up, are required, on or before the 17th day of October, 1979, to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned

KEITH DAVID GOODMAN FCA,
3/4 Bentinck Street,
London W1A 3BA

the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 5th day of September, 1979.

K. D. GOODMAN
Liquidator.

BUSINESSMAN'S DIARY

UK TRADE FAIRS AND EXHIBITIONS

Date	Title	Venue
Current	Chelsea Antiques Fair (0727 56069) (until Sept. 22)	Chelsea Old Town Hall
Current	MAB '79—International Menswear Fair (01-839 5041) (until Sept. 19)	Earls Court
Current	Filtech/Dustex '79—2nd World Filtration Exhibition (01-236 0911) (until Sept. 20)	Olympia
Sept. 18—21	Firetech '79 International Fire Protection and Control Exhibition (01-637 2400)	Brighton Exbn. Centre
Sept. 19—20	International Exhibition of Styling Accessories (01-734 7471)	Russell Hotel, W1
Sept. 24—26	Weightech '79 (01-686 5741)	Metropole Ex. Centre Brighton
Sept. 24—28	International Welding and Metal Fabrication Exhb. (021-705 6707)	National Exhibition Centre, Birmingham
Sept. 25—28	International Conference and Exhibition on Information Processing—Euro IFIP (01-405 6233)	Wembley Conference Centre
Sept. 25—28	Business Efficiency and Equipment Exhibition (0272 31850)	Exhibition Centre, Bristol
Sept. 26—30	High Fidelity Autumn Exhibition (Radnage 2674)	Cunard Int. Hotel, London
Sept. 27—28	Interior Designers and Decorators Association Exhibition—DECOREX (01-242 6171)	Grosvenor House, London
Sept. 30—Oct. 3 .	Frozen Foods and Freezer Festival (01-353 4885)	West Centre Hotel, London
Sept. 30—Oct. 3 .	British International Footwear Fair (01-739 2071)	Olympia
Sept. 30—Oct. 3 .	International Sports and Leisure Exhibition—ISLE (01-734 9694)	National Exhibition Centre, Birmingham
Oct. 2—Oct. 4	Southern Floorcoverings Exhibition (0243 88423)	Metropole Ex. Centre Brighton
Oct. 3—4	Electrical Research Association Battery Exhibition (Leatherhead 264045)	Royal Garden Hotel, W
Oct. 3—4	London Bakers Exhibition (01-947 7781)	New Horticultural Hall
Oct. 6—9	Salon International (Hairdressing and Beauty) (01-261 8000)	Wembley Conf. Centre
Oct. 7—10	International Garden and Leisure Exhibition—GLEE (01-546 6757)	National Exhibition Centre, Birmingham

OVERSEAS TRADE FAIRS AND EXHIBITIONS

Current	International Fair (until Sept. 23)	Ghent
Current	International Engineering Fair (01-278 0281) (until Sept. 20)	Brno
Current	International Autumn Fair (01-486 1951) (until Sept. 23)	Zagreb
Current	LIGAM—Furniture Trade Fair (until Sept. 19)	Berne
Current	Clothing Fair (until Sept. 19)	Brussels
Current	Fall Gift Show (01-540 1101) (until Sept. 21)	Toronto
Sept. 18—21	Int. Security, Safety and Protection of Mankind and Property Exbn. (01-486 1951)	Paris
Sept. 19—21	International Office Equipment Exbn.—SICOB (01-439 3964)	Paris
Sept. 21—25	International Packaging Show (01-734 9638)	Tokyo
Sept. 22—25	Int. Trade Fair of Sports Goods, Camping Equipmt. and Garden Furniture—SPOGA (01-409 0956)	Cologne
Sept. 22—26	Industrial Equipment and Material Exhibition—INDEQUEX	Hong Kong
Sept. 23—26	Hardware Trade Fair (01-439 3964)	Paris
Sept. 25—27	National Business Aircraft Association Convention and Exhibition	Atlanta
Sept. 26—30	Research and Development Exhibition—INNOTEX '79 (01-236 0911)	Stuttgart
Sept. 27—30	International Suppliers Fair for the Motor Industry—AUTOTERNIK	Paris
Sept. 28—Oct. 5 .	International Exhibition of Motor Maintenance and Car Accessories (01-439 3964)	Copenhagen
Sept. 28—Oct. 7 .	International Motor Cycle and Cycle Show	Paris
Sept. 29—Oct. 8 .	International Autumn Trade Fair	Metz
Sept. 30—Oct. 3 .	Irish Fashion Industry Fair (Dublin 763385)	Dublin
Sept. 30—Oct. 5 .	International Fair for Machine Tools and Tools (01-540 1101)	Copenhagen
Oct. 1—5	Chemical Plant Engineering Exhibition (01-486 1951)	Tokyo
Oct. 2—11	International Textile Machinery Exhibition (01-831 2191)	Hanover
Oct. 3—5	Hong Kong Toy and Gift Fair (01-930 7955)	Hong Kong
Oct. 5—10	Electronics Show (01-734 9638)	Osaka

BUSINESS AND MANAGEMENT CONFERENCES

Current	ICMA: Decision Making Techniques for the Management Accountant (01-637 2311) (until Sept. 21)	Loughborough
Sept. 25	Planned Savings: Personal Finance for the Expatriate (01-251 3546)	Inn on the Park, W1
Sept. 26—29	Institute of Purchasing and Supply: National Conference—Enterprise, the Corporate Role of Purchasing and Supply Management (Ascot 23711)	Sheffield
Sept. 27	HS Conference Studies: Captive Pension Funds (01-935 2382)	Royal Lancaster Hotel, W2
Sept. 27—28	AMR International: The 1979 International Conference on Industrial Leasing (01-282 2782)	London Press Centre
Sept. 28	CCC: The Interbank and London Short Term Money Markets (01-222 6362)	Inn on the Park, W1
Sept. 30—Dec. 14	BTSC: General Management Course (04882 5444)	Heaton Mount, Bradford
Oct. 1	BIM: Energy Saving with Microprocessors (01-405 3456)	Woking, Surrey
		Europa Hotel, W1

COMPANY NOTICES

NOTICE OF RATE OF INTEREST

U.S.$30,000,000

SUMITOMO HEAVY INDUSTRIES, LTD.

(Incorporated with limited liability in Japan)

Guaranteed Floating Rate Notes Due 1984

Unconditionally guaranteed as to payment of principal and interest by

THE SUMITOMO BANK, LIMITED

(Incorporated with limited liability in Japan)

In accordance with the provisions of the Notes and Agent Bank Agreement between Sumitomo Heavy Industries, Ltd., The Sumitomo Bank, Limited and Citibank, N.A., dated 5th September, 1979, notice is hereby given that the Rate of Interest for the initial three-month Interest Period has been fixed at 13¹⁄₁₆% p.a. and that the interest payable on the relevant Interest Payment Date, 13th December, 1979, against Coupon No. 1 in respect of U.S.$25,000 nominal amount of the Notes will be U.S. $825.48 and has been computed on the actual number of days elapsed (91) divided by 360.

14th September, 1979.
By: Citibank, N.A., London,
Agent Bank

CITIBANK

P.S.A. PEUGEOT-CITROEN

A French "société anonyme" governed by the Articles 118 through 150 of the French law of July 24, 1966.

Capital: French Francs 861,837,130

Head Office: 75, avenue de la Grande Armée, Paris (France).

Commercial Register: Paris B784.646.796

FIRST NOTICE TO HOLDERS OF BONDS 9¾% 1979-1987 OF FRENCH FRANCS 5,000

The bondholders of the International Loan 9¾% 1979-1987 issued by P.S.A. PEUGEOT-CITROEN are convened to an Ordinary General Meeting to be held at 75, avenue de la Grande Armée, Paris (France) on October 22, 1979 at 3 p.m., in order to consider the following agenda.

—Appointment of the bondholders permanent representatives, designation of the substitute representatives.

—Determination of the bondholders' representatives' capacities and of the remuneration given to the permanent representatives.

To permit the bondholders to attend or to be represented at this meeting, the bonds or their deposit receipts, must be deposited at least five days before the date fixed for the meeting, at the offices of the banks having participated in the placing of these bonds and from whom proxies or admission cards can be requested. This meeting shall be validly held if the holders of twenty-five per cent of the outstanding bonds entitled to vote are present in person or represented.

The "Directoire"

HARMONY GOLD MINING COMPANY LIMITED
(Incorporated in the Republic of South Africa)
A Member of the Barlow Rand Group

DIVIDEND DECLARATION

NOTICE IS HEREBY GIVEN that Dividend No. 45 of 35 cents per share has been declared in South African currency, as an interim dividend in respect of the year ending 30th June, 1980 payable to members registered in the books of the company at the close of business on 28th September, 1979. The register of members will be closed from 29th September to 7th October, 1979, inclusive, and dividend warrants will be posted on or about 8th November, 1979.

The rate of exchange at which the dividend will be converted into United Kingdom currency for payment by the United Kingdom Registrars and Transfer Agents will be the telegraphic transfer rate of exchange between Johannesburg and London ruling on the first business day after 29th September, 1979 on which foreign currency dealings are transacted.

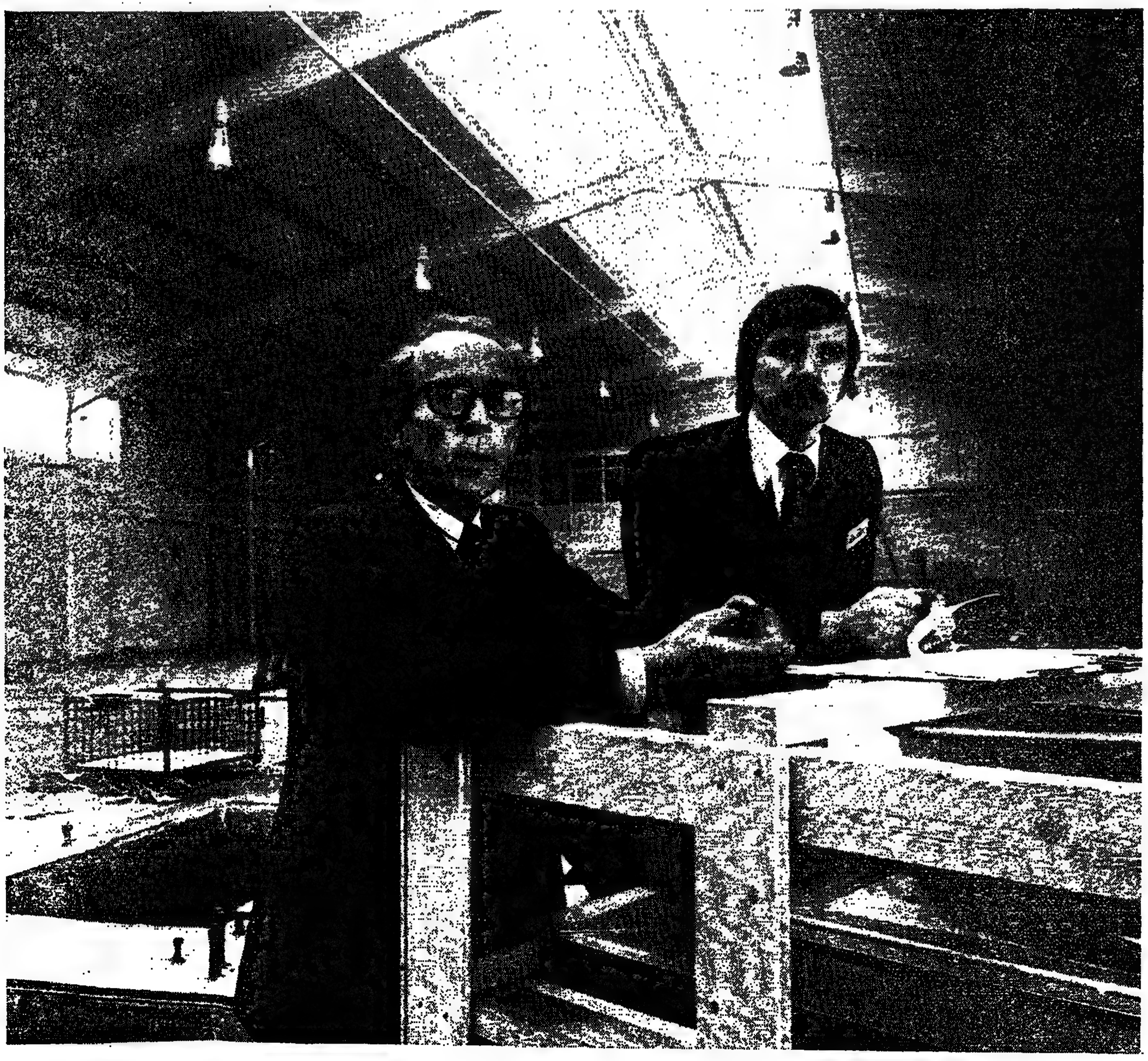
Where applicable South African non-resident shareholders' tax of 15 per cent will be deducted from the dividend.

The full conditions of payment of this dividend may be inspected at or obtained from the offices of the company in Johannesburg or in the United Kingdom.

By Order of the Board
RAND MINES, LIMITED
Secretaries
per P. Godwin

Registered Office:
18th Floor, 63 Fox Street,
Johannesburg 2001
(P.O. Box 62370
Marshalltown 2107)
Office of the Company in the United Kingdom:
Charter Consolidated Limited,
40 Holborn Viaduct,
London EC1P 1AJ
United Kingdom Registrars and Transfer Agents:
Charter Consolidated Limited,
P.O. Box 102,
Charter House,
Park Street,
Ashford, Kent TN24 8EQ

13th September, 1979.



Significant fuel cost savings have been established with electric melting of aluminium.

One of the electric die pre-heaters at Brook Motors.

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هكذا من الأصل

INTERNATIONAL BONDS

BY JOHN EVANS

Currency fears loom large

ONCE AGAIN fears of currency unrest are overshadowing the international bond markets, and becoming the main element of uncertainty in the investment climate.

In most major financial centres last week, investors appeared to be content to sit on their cash or gold positions rather than commit funds to fixed-interest bonds.

Even in Germany, where the Deutschemark has been appreciating on speculation over a possible revaluation against its European neighbours, the DM bond markets failed to attract much support.

Funds flowing into the DM were being lodged in high-yielding short-term deposit or near-term money market instruments, with reports that some low-coupon Euro-DM bonds were being liquidated.

Indeed it became apparent during the week that the Bundesbank had stepped up its efforts to control the ability of German banks and their foreign subsidiaries to offer short-term investments in Deutsche-Marks to international clients.

The ban on the issue of DM paper by the German banks in Luxembourg has been extended, and it seems that the issue of Schuldscheine to foreigners may now be restricted as well.

This action comes against a background of tight domestic credit conditions imposed by the Bundesbank to combat inflation. Short-term rates of up to 8 per cent were being posted in Germany last week.

Because there had been such strong investor interest in the issue, Deutsche Bank priced the DM 150m City of Kobe 7¼ per cent 10-year bonds at an aggressive 100¼. But the issue subsequently drifted down to around 99 in secondary trading, sharing in a general softening in the prices of DM issues.

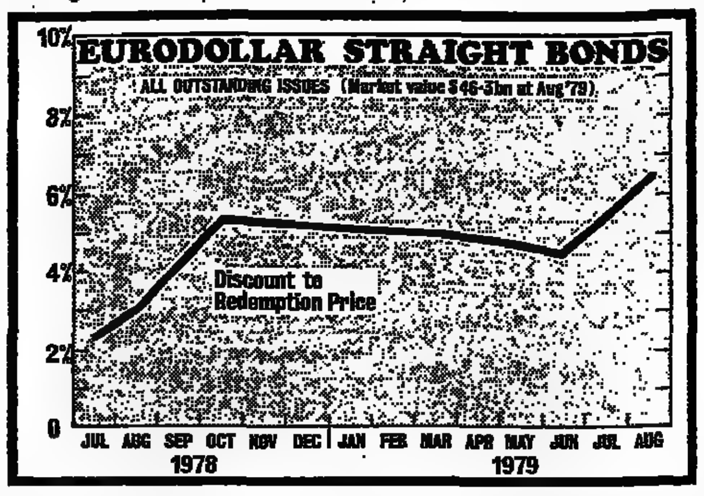
The forthcoming DM 125m 10-year bonds for the Council of Europe carry an indicated 7¾ per cent coupon, illustrating the tightening conditions for the DM market on which the German banking sub-committee will have to ponder at its meeting to decide its monthly calender on September 20.

Shaken by Chase Manhattan's introduction of a 13 per cent prime rate, a technical rally in Eurodollar bond prices was quickly erased last week. Some institutional nibbling in quality bonds, webere recent price falls had created yields in excess of 10½ per cent, and professional dealing activity briefly lifted prices about ½ point.

Eurobonds do not yet appear to have hit their low point. The accompanying chart, based on Kidder Peabody data, shows the erosion of capital which has taken place in the market over the last year.

The average discount from par on all outstanding issues has increased from 2.34 per cent in July 1978 to 6.34 per cent last month.

With the straight dollar new issue sector firmly closed, the floating rate note side continues to make the running. The markets were intrigued last week by news that Eurofima, the inter-governmental agency for financing European railways, is floating a $40m 10-year FRN as a private placement.



Eurofima is believed to be the first of Europe's international agencies to tap the FRN market in recent years, arousing talk that other supranationals, including those in the EEC, will now accept the floating rate concept for their financings.

However, many such agencies, including the Eurobond market's most regular borrower, the European Investment Bank, themselves on-lend on a fixed-rate basis. This would appear to rule out a widespread move to FRN's, although the EIB is understood to be still studying this option.

The Eurofima notes will carry semi-annual interest at a level ¼ per cent over the mean of the bid and offer rates for six-month Eurodollar interbank rates for the first five years, and ¼ per cent above for the remaining five years. The minimum coupon is 5¼ per cent, and the issue price par.

The notes will be placed privately by Dean Witter, Bank of America, Banque Arabe et Internationale d'Investissement, Banque Nationale de Paris and Banque Bruxelles Lambert.

Fiat Finance Corp is offering $100m of FRN's, with a fixed-rate option. The 12-year notes carry interest of ¼ per cent above *six-month Libor* rate for the first five years and ¼ over thereafter. Investors can switch into 8 per cent notes between 1980-1984, according to lead manager Credit Lyonnais.

Mitsubishi is the latest Japanese corporation in the convertible dollar market sector, planning a $50m 15-year issue with an indicated 7 per cent coupon.

Mitsubishi has the option of redemption after October, 1984 or from 1982 if its stock price exceeds 150 per cent of the Eurobonds' conversion price at that time.

In turn, investors have the option of redemption after five years at a price to provide an annual yield of 10 per cent.

Last week's steep slide in sterling to a rate of $2.1650 left Euro-sterling bonds over a point lower, with one house reportedly lightening its trading books substantially.

CURRENT INTERNATIONAL BOND ISSUES

Borrowers	Amount m	Maturity	Av. life years	Coupon %	Price	Lead manager	Offer yield %
U.S. DOLLARS							
‡††Imperial Oil of Canada	250	2009	21	9¾	99.806	Salomon Bros. Wood Gundy	10.00
‡††EIB	100	1987	8	10⅛	99.60	Lehman Bros. Kuhn Loeb, First Bos., Mer. Lynch	10.46
‡††EIB	100	1999	15.05	10.15	99.60	Lehman Bros. Kuhn Loeb, First Bos., Mer. Lynch	10.46
‡††Prov. of Ontario	300	2009	30	9⅞	99½	Salomon Bros.	10.17
‡§Asahi Optical	30	1994	—	7	100	Yamaichi Int., CSFB	7.0
‡†Soc. Cen. de Banque	20	1987	8	6¼◊	100	Soc. Générale, EBC	6.619
§Nippon Seiko	30	1994	—	7½	100	Kleinwort Benson Nomura	7.38
†Fiat Finance	100	1991	*	8∥	100	Crédit Lyonnais	—
**†Eurofima	40	1989	8½	5¼◊	100	Dean Witter Reynolds	5.32◊
D-MARKS							
‡New Zealand	200	1987	8	7½	100	Commerzbank	7.125
‡City of Kobe (g'teed Japan)	150	1989	10	7¼	100¼	Deutsche Bank	7.09
‡**Norcem	20	1986	7	7½	100	Deutsche Bank	7.50
‡**World Bank	150	1994	15	8	100	Bay. Landesbank	8.0
‡**World Bank	50	1989	10	7½	99½	Badische Komm. Landesbank	7.82
Council of Europe	125	1989	8	7¾	100	BHF-Bank	7.375
SWISS FRANCS							
‡World Bank	150	1989	n.a.	4¼	100¼	Swiss Bank Corp.	4.315
‡Norges Hypoth.	45	1991	n.a.	4½	99½	Nordfinanz-Bank	4.56
‡Nippon Tel. & Tel. (g'teed Japan)	100	1989	n.a.	4¼	100	Swiss Bank Corp.	4.25
BMW Overseas	100	1991	n.a.	4¼	100	Union Bank of Switz.	4.25
City of Copenhagen	60	1991	n.a.	4½	99	Union Bank of Switz.	4.61
‡**§Nagasakiya	50	1985	—	4¾	100	Union Bank of Switz.	4.75
‡**Ardal og Sunndal	30	1986	n.a.	4½	100	Union Bank of Switz.	4.50
GUILDERS							
‡**Norway	100	1984	5	8¼	99½	ABN	8.38
LUXEMBOURG FRANCS							
‡ECSC	500	1987	8	8¾	99½	Banque Gen. du Luxem.	8.79
KUWAITI DINARS							
‡TVO Power (g'teed Finland)	7	1989	7.3	7¾	99½	KFTCIC	8.11
Asea AB	4	1989	*	8	*	KIIC	*

* Not yet priced. ‡ Final terms. ** Placement. † Floating rate note. ◊ Minimum. § Convertible. †† Registered with U.S. Securities and Exchange Commission. ¶ Purchase fund. ∥ Optional fixed rate.
Note: Yields are calculated on AIBD basis.

INTERNATIONAL BANKING

By WILLIAM HALL

A U.S. regional bank heads home

CITY NATIONAL Bank of Detroit has been in London for over a decade so its decision, confirmed last week, to give up its coveted authorised bank status and return home was obviously not taken lightly. With parent bank deposits of less than $1bn, its experience is a useful case study of the financial pressures now facing some of the smaller regional U.S. banks operating in the City.

The bulk of its costs are denominated in sterling and its revenues mostly in dollars so it has been pinched by the recent rise in sterling. More important, however, has been the squeeze on net interest margins and the lengthening of maturities which it cites as the main reason why it has cut its foreign loan portfolio from $162m at the end of 1976 to $113m at the end of 1978.

Although City National Bank is not saying how much its London branch cost to operate, it is possible to arrive at a general figure. One U.S. regional bank with 40 staff, estimated that it cost $2.5m per annum to run its London branch *while a smaller operation with* 14 staff said that its expenses were running at close to $0.5m per annum excluding the cost of two American staff, which could add on a further $100,000 each.

Noel Alexander Associates, which specialises in helping banks establish in London, estimates that the minimum size for a London branch is 12 to 15 staff and 3,000 sq ft of office space. This could cost the equivalent of around $0.6m at current exchange rates. However, a medium size branch is more normal and with a staff of approximately 30 people and 5,000 sq ft of office accommodation, the annual bill will be close to $1.2m.

NEW BANK FOR LUXEMBOURG

Manufacturers Hanover Trust will establish a subsidiary in Luxembourg, initially with the minimum paid up capital of LuxFr 250m ($9m). Starting with a staff of 15, the bank's aim will be to operate in the Luxembourg money market, particularly the Euro-DM sector, and to participate in Luxembourg loan syndicates. The pending double-taxation agreement between Luxembourg and Brazil is also a significant incentive for MH with its loan involvement in Brazil

To cover costs of this magnitude a London branch needs a margin of 1 per cent on a portfolio of $75m of assets before thinking about provisions for loan losses or return on capital employed. Given the current squeeze on margins this looks a fond hope, so that bank's total assets will almost certainly have to be higher, especially bearing in mind the fact that money market operations are far less profitable than straight lending.

In the case of City National Bank some 35 per cent of its foreign loan portfolio consisted of loans to banks, 23 per cent to Government related institutions and 41 per cent to industrial and commercial customers.

With a portfolio just in excess *of $100m, and probably earning* net spreads of less than 1 per cent, it is not hard to see why City National has decided to close its London branch.

"At the end of the day," says Mr. Carl Fredericks, City National Bank's London vice-president, "we are a mid-Western bank serving mid-Western customers. We can service them just as well from our home base and our Cayman Isles branch."

U.S. BONDS

BY JOHN WYLES

Problems for the Fed

AFTER THE steep increases in U.S. money market rates of the past few weeks it is hardly surprising that the U.S. bond markets will be opening for business today with some trepidation. Over the next few days the particular focus of attention will be the Federal funds market because of the meeting tomorrow of the Federal Reserve Board's Open Market Committee. Since the Committee last met to chart interest rate strategy in August, the Fed funds target has been pushed up by about 80 basis points to around 11¾ per cent. The impact on other short term rates has been dramatic, with increases substantially outstripping the rise in the funds rate.

During the past week, for example, *Treasury Bill* rates have comfortably cruised past 1974 peaks to establish new Benchmarks. Thus we have seen a record discount rate on a three month bill of 10.531 per cent, 10.294 per cent for a six month bill and 9.83 per cent for a one year bill. These compared with previous records of 9.908 per cent, 9.930 per cent and 9.605 per cent.

At the same time, the commercial banks' prime rate climbed to yet another record, now 13 per cent last week. Only long term bonds remain out of step, with long prime issues within 30 basis points of their 1974 peaks while lower grades still lag by up to 200 basic points. Dr. Henry Kaufman, of Salomon Brothers, among others believes that corporates too will establish new highs before rates start to come down.

But as is frequently pointed out everything depends on the state of the economy and the *strength of credit demands in* the coming months.

Bond prices may well reflect some disappointment this week at the success of General Motors and the United Auto workers in reaching an agreement without a strike. The absence of a strike and the consequent drag on the economy is clearly a factor the Open Market Committee will take into account tomorrow as it reviews its progress, or lack of it, in reducing the money supply and credit demand.

Last Thursday bond prices actually strengthened a little after the Fed published news of a $2.7bn increase in M1 because unofficial market estimates had suggested something higher. But the increase meant that monetary growth is still way above target having jumped 10.1 per cent for M1 and 12 per cent for M2 during the past quarter.

Notwithstanding the interest rate background, the bond market did a creditable jobs last week in absorbing one of the heaviest weekly new issue calendars for some years. No fewer than $1.3bn of corporate bonds were slated for sale.

FT INTERNATIONAL BOND SERVICE

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Alcoa of Australia 10 89	50	96	96½	0	−0⅛	10.62
Alex Howden XW 9½ 91	30	†78	80	−0¼	−2	13.08
Australian Res. 9⅞ 84	30	96	96½	−0⅛	0	10.64
Avco O/S Cap. 10⅞ 87	40	90¾	91¼	−0⅛	−0⅜	12.08
Beneficial Fin. 9¾ 87	100	95¾	96¼	0	0	10.51
CECA 10⅛ 91	150	94¼	95	0	−0⅜	11.57
CECA 9⅞ 99	125	†90½	91	−0⅛	−0⅜	11.19
Canadian Pacific 9⅞ 89	50	95¾	96¼	−0⅛	−0⅛	10.41
Carter Hawley 9⅞ 88	50	94	94½	−0⅛	0	10.98
Cemalco Inv. E. 10⅜ 91	40	96⅝	97⅛	−0⅛	−0⅛	10.72
Continental Grp. 9⅞ 86	100	96¼	96¾	−0⅛	−0⅛	10.38
Dome Petroleum 10 94	50	93⅜	93⅞	−0⅛	−0⅛	10.89
Dominion Bridge 10⅛ 84	30	96⅝	97⅛	0	−0⅛	11.10
Dow Chem. O/S 9⅞ 84	200	98¼	98¾	+0⅛	−0⅛	10.15
EIB 9⅞ 86	150	97	97½	−0⅛	−0⅛	10.48
EIB 9⅞ 89	100	96⅝	97⅛	−0⅛	0	10.51
EIB 9⅞ 87	150	98	98½	−0⅛	−0⅛	10.46
EIB 10 99	150	97⅞	98⅜	−0⅛	−0⅛	10.51
Export Dv. Cpn. 9⅞ 84	100	98⅛	98⅝	−0⅛	+0⅛	10.20
Export Dv. Cpn. 9⅞ 84	150	97⅜	98⅛	0	−0⅛	9.81
Finland 9½ 86	100	95⅜	96⅛	+0⅛	−1⅛	10.49
Finland 9⅞ 89	100	95⅜	96⅛	−0⅛	−1⅛	10.54
GTE Finance 9½ 84	50	96⅛	96⅝	−0⅛	+0⅛	10.52
GTE Finance 9⅞ 89	55	92⅞	93⅜	+0⅛	−0⅛	10.91
General Motors 9⅞ 86	100	95	95½	0	−0⅛	10.24
Gould Int. Fin. 9⅞ 85	50	96½	97	0	0	10.53
Hoechst Fin. XW 6¾ 89	125	†77½	78	0	+0⅛	10.48
Hudson Bay Co. 10 94	50	95	95½	0	−0⅛	10.50
ITT Antilles 9⅞ 89	75	93	93½	0	+0⅛	10.63
Kennecott Int. 9⅞ 86	100	91⅛	91⅝	−0⅛	−0⅛	11.39
Manitoba 9⅞ 89	75	94⅛	94⅝	−0⅛	−0⅛	10.42
Michelin 10 94	125	95⅛	95⅝	0	+0⅛	10.61
Nat. Des Telecm. 9⅞ 86	100	96	96½	0	0	10.28
New Brunswick 9⅞ 94	75	93⅛	93⅝	+0⅛	−0⅛	10.63
Newfoundland 10 84	50	96½	97	−0⅛	−0⅛	10.43
Norway 9¾ 84	150	98⅛	98⅝	0	+0⅛	10.28
Norway 9½ 84	150	96½	97	0	−0⅛	10.39
Nova Scotia Pwr. 9⅞ 89	50	94⅞	95⅜	0	−0⅛	10.56
Occidental Fin. 10⅛ 84	50	96⅞	97⅜	−0⅛	+0⅛	11.07
Orient Leasing 9⅞ 86	25	92⅞	93⅜	0	−0⅛	10.97
Pennwalt O/S F. 9⅞ 84	25	96⅞	97⅜	0	+0⅛	10.60
Pepsico Cap. 9⅞ 84	100	97⅛	97⅝	0	−0⅛	9.98
Portland 10 84	50	96	96½	0	−0⅛	11.07
Quebec Hydro 10 99	75	92⅞	93⅜	0	−0⅛	10.84
Redland Fin. XW 9½ 91	25	85⅞	87⅜	−0⅛	−1	11.54
Sears Roebuck 9 82	150	96⅛	96⅝	0	+0⅛	10.60
Statoil 9⅞ 89	100	95	95½	−0⅛	−0⅛	10.41
Stockholm 9⅞ 94	60	97	97½	0	−1	10.37
Sweden 9¾ 89	100	96⅛	96⅝	0	0	10.34
Sweden 9½ 86	200	96⅞	97⅜	+0⅛	−0⅛	10.39
Sweden 9¾ 84	100	97⅞	98⅜	+0⅛	+0⅛	10.31
Unilever NV 9⅞ 87	100	94⅞	95⅜	+0⅛	+0⅛	10.20
Warner-Lambert 9 84	100	85⅛	85⅝	0	−0⅛	10.25

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Argentina 7½ 89	150	95	95½	+0⅛	0	8.22
Asian Dev. Bk. 7¼ 89	100	98¼	98¾	−0⅛	−0⅛	7.47
Banco Desarrollo 7¾ 86	100	†94¼	94¾	−0⅛	−0⅛	8.40
Barclays O'seas 6¾ 89	100	97¼	97¾	−0⅛	−1⅛	7.11
Brazil 7¾ 87	150	96	96½	+0⅛	−1	7.94
Brazil 8 87	150	100	100½	0	−0⅛	7.95
CECA 7 91	150	†98	98½	0	−0⅛	7.22
Council of Eur. 7¼ 89	100	98¾	99¼	−0⅛	−0⅛	7.41
Denmark 5¾ 85	100	†94¼	94¾	0	−0⅛	7.00
Denmark 6¾ 89	100	†94½	95	+0⅛	−0⅛	7.28
EIB 6½ 91	200	94¼	94¾	+0⅛	+0⅛	7.22
EIB 7½ 89	200	100¼	100¾	−0⅛	−0⅛	7.44
Eletrobras-Brazil 7 87	100	96½	97	0	+2⅛	7.58
Eurofima 6½ 89	100	98¼	98¾	0	−0⅛	6.71
Finland 6 83	150	97⅛	97⅝	−0⅛	−0⅛	6.66
Mitsubishi Chem. 6½ 84	70	99¾	100¼	−0⅛	−0⅛	6.49
New Zealand 6¾ 87	200	94	94½	−0⅛	−2½	7.29
Nippon Kokan 6½ 84	100	97⅞	98⅜	−0⅛	−0⅛	6.98
Nippon Tel. & T. 5½ 87	100	92⅛	92⅝	0	−0⅛	6.84
Nordic Inv. Bk. 6¾ 86	60	95	95½	0	−1	7.21
Norges Komm. 7¾ 91	150	102¼	102¾	−0⅛	−0⅛	7.42
Norway 6¾ 84	200	99¼	99¾	+0⅛	−0⅛	6.37
Occidental 6¾ 90	150	†94¼	94¾	+0⅛	+0⅛	7.49
OKB 6½ 88	100	96⅞	97⅜	+0⅛	−0⅛	6.92
OKB 6 87	40	†93½	94¼	−0⅛	−0⅛	7.09
Tokyo Elec. Pwr. 6½ 85	200	98⅛	98⅝	0	−0⅛	6.85
World Bank 6¾ 88	400	93	93½	0	−0⅛	7.28
World Bank 7¾ 91	400	101	101½	−0⅛	+0⅛	7.58

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Argentina 5½ 89	80	102¼	102½	0	+0⅛	5.18
Asian Dev. Bank 3½ 94	100	84⅞	85½	0	+0⅛	4.98
Aumar 5 89	60	101⅛	101⅝	−0⅛	−0⅛	4.77
Australia 3¾ 89	250	95¼	95½	+0⅛	0	4.22
Bergen, City of 4¾ 91	40	103⅞	104¼	−0⅛	−0⅛	4.31
BNDE 5 89	75	95	95¼	−0⅛	−0⅛	5.66
Brazil 4¾ 88	100	95¼	95¾	0	+0⅛	4.90
Caisse Nat. Tele. 4¾ 89	100	102	102½	0	−0⅛	4.11
Canada 3¾ 89	300	96½	96⅞	+0⅛	+0⅛	4.07
Council of Eur. 4¾ 90	100	101½	102	+0⅛	0	4.04
Denmark Mt. Bk. 4¾ 91	80	100¼	100½	−0⅛	−0⅛	4.71
EIB 4½ 91	100	101¼	101¾	0	−0⅛	4.33
EIB 4¾ 94	100	97⅞	98½	−0⅛	−0⅛	4.56
Elect. de France 4¾ 89	100	101¾	102	0	−0⅛	4.14
Heron 4½ 89	35	95⅞	96⅛	+0⅛	0	4.78
ICI Fin. NV 3½ 94	230	90¾	91	+0⅛	+0⅛	4.36
Int.-Amer. Dev. 4½ 89	100	100¼	100¾	0	−0⅛	4.47
New Zealand 3½ 94	120	89⅛	89⅝	0	0	4.51
Nordic Bank 5 89	45	103⅞	104¼	+0⅛	+0⅛	4.48
OKB 3¾ 91	100	91⅞	92⅜	+0⅛	+0⅛	4.66
Pfand Ost. Lande 4 90	60	94¾	95	+0⅛	0	4.62
Philippines 4¾ 89	80	97⅛	97⅜	0	0	5.07
Shikoku El. Pwr. 4¾ 89	100	102⅛	102½	−0⅛	−0⅛	4.45
Spain 4 91	100	94	94¼	0	+0⅛	4.67
Steweag 4¾ 91	60	104⅜	104¾	+0⅛	+0⅛	4.26
Voest-Alpine 4¾ 89	80	103⅛	103⅝	−0⅛	−0⅛	4.30
World Bank 4¾ 89	100	102⅛	102½	−0⅛	−1⅛	4.32

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Australia 5.6 83	30	93¾	94¼	−0⅛	−0⅛	7.37
Australia 6½ 88	20	90¾	91¼	0	−0⅛	8.11
EIB 7⅛ 88	12	96¼	96¾	0	−0⅛	7.87
Finland 5.6 83	10	92¾	93¼	−0⅛	−0⅛	7.65
Finland 6.8 88	10	90¾	91¼	0	−0⅛	8.39

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Nordic I. Bk. 9 84 SDR	20	97	98	−0⅛	−0⅛	9.68
Avco Fin. 10¾ 86 C$	25	92¼	92¾	0	−0⅛	11.91
Cr. Foncier 10¾ 84 C$	30	93¾	94¼	+0⅛	+0⅛	12.04
Ex. Dev. Cpn. 10 84 C$	50	95⅞	96⅜	+0⅛	−0⅛	11.07
Fst. Can. Inv. 10 84 C$	50	94	94½	+0⅛	−0⅛	11.63
Hudson Bay 10½ 89 C$	60	96⅛	96⅝	0	−0⅛	11.15
Quebec 10¾ 86 C$	50	94¼	94⅞	0	−0⅛	11.45
R. Bk. Canada 10 86 C$	40	94¼	95¼	−0¼	−1¼	11.07
R. Bk. Canada 10 94 C$	40	91¼	91⅞	−0¼	−0⅛	11.17
Copenhagen 8¾ 91 EUA	25	97	98	0	−0⅛	8.59
Komm. Inst. 7½ 93 EUA	15	93¾	94¼	−0⅛	−0⅛	8.22
SDR France 8½ 84 EUA	24	98¼	99¼	0	+0⅛	8.58
SOFTE 8¾ 89 EUA	40	94¾	95¼	0	−0⅛	9.06
Algemene Bk. 8¾ 83 Fl	75	92½	93	−0⅛	+0⅛	8.62
CFE Mexico 7¾ 83 Fl	75	97¼	97¾	−0⅛	+0⅛	8.52
EIB 7¾ 85 Fl	75	92¾	93¼	−0⅛	0	8.82
Ned. Middbk. 8¾ 84 Fl	75	98½	99	−0⅛	−0⅛	8.57
New Zealand 6¾ 84 Fl	75	92½	92¾	0	0	8.75
Norway 8¾ 84 Fl	100	98	98½	−0⅛	−0⅛	8.71
Elf Aquitaine 9¾ 88 FFr	150	89¾	90¼	0	+0⅛	11.57
Euratom 9¾ 87 FFr	150	90¾	91¼	0	−0⅛	11.58
Norway 9¾ 84 FFr	200	92¾	93¼	0	−0⅛	11.27
PSA Peugeot 9¾ 87 FFr	175	89⅞	90⅜	0	−0⅛	11.74
Renault 9¾ 85 FFr	100	92¾	93¼	0	−0⅛	11.54
Saint-Gobain 9¾ 86 FFr	130	90¾	91¼	0	−0⅛	11.63
Solvay et Cie 9¾ 87 FFr	125	89⅞	90⅜	0	−0⅛	11.70
Total Oil 9¾ 87 FFr	150	87¾	88¼	0	−0⅛	11.82
Citicorp 10 93 £	20	87½	88½	−0⅛	−1⅛	11.80
EIB 9¾ 88 £	25	90¾	91¼	+0⅛	−0⅛	11.50
EIB 11¾ 91 £	25	94¾	95¾	+0⅛	−0⅛	12.28
Finance for Ind. 13 91 £	15	101¾	102¼	0	−0⅛	12.65
Fin. for Ind. 12½ 89 £	30	99½	100½	+0⅛	−1	12.50
Gen. Elec. Co. 12¼ 89 £	50	99¾	100¼	0	−1⅛	12.51
Indonesia 8¾ 91 KD	7	*†97¼	97⅞	0	0	9.08
Mitsubishi 7½ 84 KD	10	*†96⅞	97¼	0	0	8.26
Norges Kom. 7½ 89 KD	12	*†96⅞	98¼	−0⅛	−0⅛	8.10
Occidental 8¾ 91 KD	7	*†94¾	95¼	0	0	8.95
Euratom 8 87 LuxFr	500	96⅞	97¼	−0⅛	−0⅛	8.59
Norges Kom. 8 86 LuxFr	500	95¾	96¼	−0⅛	−0⅛	8.81
Oslo, City of 8 89 LuxFr	500	97¾	98	−0⅛	+0⅛	8.36
Solvay Fin. 8 85 LuxFr	500	96⅞	97¼	−0⅛	−0⅛	8.69

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
BFG Fin. Co. 5½ 89	0¼	98	98½	11/1	11	11.20
BNDE 6 89	0¼	†96¾	97¼	21/9	11⅛	11.48
Banco di Roma Int. 6 87	0¼	98¼	98¾	26/10	11.19	11.30
Bco. Nac. Argent. 7 86	0¼	98	98½	22/9	11½	11.70
Banco Prov. BA 7¾ 86	0¼	98¼	98¾	12/6	11	11.18
Banco Urquijo 6 86	0¼	98	98½	21/9	11½	11.70
Bque. Indo Suez 5¾ 89	0¼	98¾	99¼	11/1	11	11.17
Banque Sudameris 6 87	0¼	96⅞	97⅜	11/1	11⅛	11.45
BNP 5½ 91	0¼	98½	99	22/2	11.94	12.09
Citicorp O/S Fin. 6 94	‡0¼	99⅞	100⅜	8/9	10.69	10.67
Citicorp O/S 83	‡0	99¾	100¼	23/2	12.81	12.83
Creditanstalt 5½ 91	‡0¼	99	99½	14/9	10⅞	10.96
GZB 5½ 89	‡0¼	98¼	98¾	1/11	11.44	11.60
Jugobanka 8 89	0¾	95	96	23/11	11⅞	12.43
LTCB Japan 5½ 89	0¼	98¼	98¾	7/12	11⅛	11.28
Mfrs. Han. O/S 5¾ 94	‡0¼	99¾	100¼	23/11	12.56	12.58
Nacional Fin. 6¾ 86	0¼	97⅞	98⅜	25/1	11½	11.72
Nat. West. 5¼ 94	0¼	98½	99	11/10	11	11.14
Nippon Credit Bk. 5½ 85	0¼	98½	99	22/12	10.94	11.08
Nippon Credit Bk. 6½ 86	0¼	97⅞	98⅜	12/1	10⅞	11.11
Petro Mexicano 7 84	0¾	98⅞	99⅜	24/1	11.44	11.54
Privredna Banka 8 86	0⅞	95⅛	95⅝	20/12	11.58	12.13
Royal Bank Scot. 5¼ 94	‡0¼	99⅜	99⅞	11/10	11	11.11
Sogenal 5¾ 89	0¼	97⅞	98⅜	11/1	10.94	11.17
Texas Int. Airways 7 86	‡0¼	96½	97	11/10	11.56	11.95
Trade Dv. Fin. Srv. 6 86	0¼	97¼	97¾	21/2	—	—
TVO Pwr. 8 91 (D-lock)	0¼	97⅞	98⅜	24/11	11⅛	11.35
Utd. Overseas Bk. 6 89	‡0¼	97⅞	98⅜	29/9	11.14	11.35
Bq. E. d'Alg. 4¾ 89 SF	0¼	96½	96¾	18/12	4⅞	4.40

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
AGA Akt'bolag 7¾ 89	10/79	145	92¾	93¾	+0¼	−0.99
Canon 6¾ 94	8/79	570	100¾	101¾	−0¼	−2.01
Ciba-Geigy O/S F. 4 94	9/78	675	94⅞	95⅜	0	2.43
Credit Suisse 4¾ 93	10/79	1325	106¾	107½	0	1.89
Esselte 7¾ 89	9/79	159	96¾	97¾	0	−0.29
Honda Motor 5½ 89	5/79	532	100½	101½	−0½	−2.25
LPC International 8 89	9/79	35	103¼	104¼	0	16.48
Nitto Elec. Ind. 6 94	7/79	735	89⅛	89⅞	−0½	−1.34
Union Bank Switz. 5 89	2/80	125	108¾	109¾	+0¼	8.57
Fujitsu 5 84 DM	7/79	475	100¾	101½	−0¼	16.20
Kansai Elec. 4 84 DM	4/79	1390	†88¼	89¼	−0¼	53.65
Marudai Food 3½ DM	2/79	1033	80¾	81¾	−1¼	40.69
Nippon Ysn. 3½ 85 DM	1/79	251	†100¾	101¼	−0¼	−1.00
Sharp Cpn. 3½ 88 DM	2/79	487	96¾	97½	−0¼	7.88
Tokyo Elec. 3½ 87 DM	4/79	476	†98¼	98¾	−0¼	55.37
Tokyu Ld. Co. 4 86 DM	4/79	493	†82¾	83¾	−0½	35.06
Uny Co. 6½ 85 DM	11/79	1071	101⅞	102⅜	+0⅛	7.83

BONDTRADE INDEX AND YIELD

	Medium term		Long term	
Sept. 14...	83.67	9.31	86.37	10.02
Sept. 7 ...	84.07	9.16	87.00	9.90
High '79...	85.75	(1/2)	89.99	(30/1)
Low '79 ...	83.67	(14/9)	86.35	(12/9)

EUROBOND TURNOVER (nominal value in $m)

	Cedel	Euroclear
U.S. $ bonds		
Last week	580.2	1,525.5
Previous week	583.5	1,948.4
Other bonds		
Last week	223.6	317.3
Previous week	153.7	282.9

* No information available—previous day's price.

† Only one market maker supplied a price.

STRAIGHT BONDS: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week=Change over price a week earlier.

FLOATING RATE NOTES: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte=Date next coupon becomes effective. *Spread=Margin above six-month* offered rate (‡ three-month) for U.S. dollars. C.cpn=The current coupon. C.yld=The current yield.

CONVERTIBLE BONDS: Denominated in dollars unless otherwise indicated. Chg. day=Change on day. Cnv. date=First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem=Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

The list shows the 200 latest international bonds for which an adequate secondary market exists. The prices over the past week were supplied by: Arab Company for Trading Securities SAK; Kredietbank NV; Credit Commercial de France; Credit Lyonnais; E. F. Hutton Services SARL; Commerzbank AG; Deutsche Bank AG; Westdeutsche Landesbank Girozentrale; Banque Internationale Luxembourg; Kredietbank Luxembourg; Algemene Bank Nederland NV; Pierson, Heldring and Pierson; Credit Suisse/Swiss Credit Bank; Union Bank of Switzerland; Akroyd and Smithers; Bankers Trust International; Bondtrade; Banque Francaise de Credit International; Citicorp International Bank; Daiwa Europe NV; Deltec Trading Company; Dillon, Read Overseas Corporation; EBC; First Chicago; Goldman Sachs International Corporation; Hambros Bank; IBJ International; Kidder Peabody International; Merrill Lynch; Morgan Stanley International; Nesbitt Thomson; Samuel Montagu and Co.; Scandinavian Bank; Strauss Turnbull and Co., Sumitomo Finance *International; S. G. Warburg and* Co.; Wood Gundy.

Closing prices on September 14

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FINANCIAL TIMES SURVEY

Monday, 17 September 1979

Computer Services

There are now more than 3,000 computer services companies in Europe, and the industry in the UK is playing a full part in developing what has become a major force. Nevertheless, there are some complex problems to be solved and there is clearly a need for more Government awareness of the difficulties facing this rapidly growing industry.

Growing sector becomes a key industrial force

DURING THE run-up to the recent general election, those political figures who, it was anticipated, would have to make policy in Britain's electronics industry, heard many presentations from senior persons operating within the service bureau or software and systems groups, on the industry and its importance.

Since the election and under the new administration, not a murmur has been heard and it is almost as if the computing services industry has ceased to exist so far as the Government is concerned. Yet, there can be few more important undertakings in the country, since the combined turnover of the companies grouped under the banner of the Computing Services Association can compare honourably with the total annual sales of computing equipment in Britain—and it should be remembered that such sales produce a huge import deficit.

Services growth is at a rate of about 25 per cent, better far than for any other industrial sector outside information handling, which alone should call for some official interest. But the industry has some difficult problems to solve, several of which it cannot handle by itself since political decisions at international level, either within the European Economic Community or generally, are involved. And the most difficult of these is trans-national data flow, as we shall see later.

Clearly, there is need for Government awareness of the problems and for a continuing dialogue, particularly after the years of hard work put in by CSA officers—with many other tasks on their hands—to establish this dialogue with the preceding government.

Booming

Be that as it may, the industry is booming and in the words of of the director general of the Computer Services Association, Alan Benjamin, it is becoming a "force in Europe" after growing at 20 per cent compound during the past five years. Indeed, it can be considered a major industrial force, though too many still consider it to be much less important than the computing equipment manufacturing side.

But, Benjamin points out, manufacturing is so heavily dominated by groups controlled from outside Europe there is little hope that the area will ever come to control its own destinies in machine technology. Not so in services. This industry by its nature is "probably indomitable." One of the reasons is that brain power cannot be monopolised and it is by intelligent use of the best resources — human and electronic — that the service industry exists and flourishes.

In Europe there are around 3,300 computing service companies of all types and their revenue for 1979 can be estimated at around $5¾bn.

Over the years, a vigorous interchange has built up, in part due to deliberate French government action during the inception of Plan Calcul, and several of the larger UK groups have established a number of subsidiaries in continental Europe. This has involved them in learning to deal with a whole gamut of novel legislation and business practice and even learn a language or two.

In moving towards a multination status, the industry has seen the need to tackle the various telecommunications organisations of the individual countries and show them how their tangle of incompatible procedures was strangling the growth of new industries. This is one of the reasons for the emergence of ECSA, the European Computing Services Association. But because the European industry has developed against this background of disparate legislation and language, where the U.S. industry has enjoyed a homogeneous market place, it has had to use a proportion of resources to solve inherent problems. that American groups have been able to devote to improving services or writing new software.

Meanwhile, services within Europe are not all that far behind the U.S. Adapso (Association of Data Processing Organisation) figures indicate a growth rate of 17 per cent overall with total turnover in 1978 at $7.5bn, 19 per cent up on 1977 and a target figure of $16bn forecast for 1982.

Of great importance in these figures is that software accounts for 10 per cent—Britain is credited with being the world's most important centre for software innovation—and that software in the U.S. is growing faster than the other services sectors at 27 per cent.

In fact, expertise such as software and systems development constitutes the heaviest charge on the processing service companies' own budgets since, according to Adapso, machinery has now dropped to 16 per cent of a typical service unit's costs.

This is, of course, partly due to the fact that a service organisation will tune up its processors till they are running in a way that sometimes amazes and often worries the makers.

At the same time, the bureaux operate their equipment for much longer than the average user and while this practice of running the machines into the ground should make suppliers of equipment rather indifferent as to where bureaux buy, it is not so in practice—witness the willingness of Honeywell to build a number of obsolete sigma processors for use by Comshare!

Although this has never been admitted, it is my feeling that equipment manufacturers have learned and can learn so much from the service companies that it is not in their real interest to alienate them as customers.

Turning to Britain, growth (as indicated by figures compiled from responses to Department of Industry questionnaires) is now around 25 per cent, well ahead of the U.S. and Europe. This year, total turnover for respondents representing about 90 per cent of physical services and perhaps 70 per cent for consultancy should go well over the £400m mark, the inference being that we already have a "billion dollar industry." The 1978 total was £332m compared with £265m a year earlier.

There has, of course, been a great deal of argument in the past about the way in which service organisations which are part of big manufacturing companies do their accounting—though senior staff from such groups have often told me that they certainly do not have a "captive market" in the main company and have to compete for all they get from the latter. Be that as it may, billings for outside work grew more quickly in 1978, by 29 per cent to £241m.

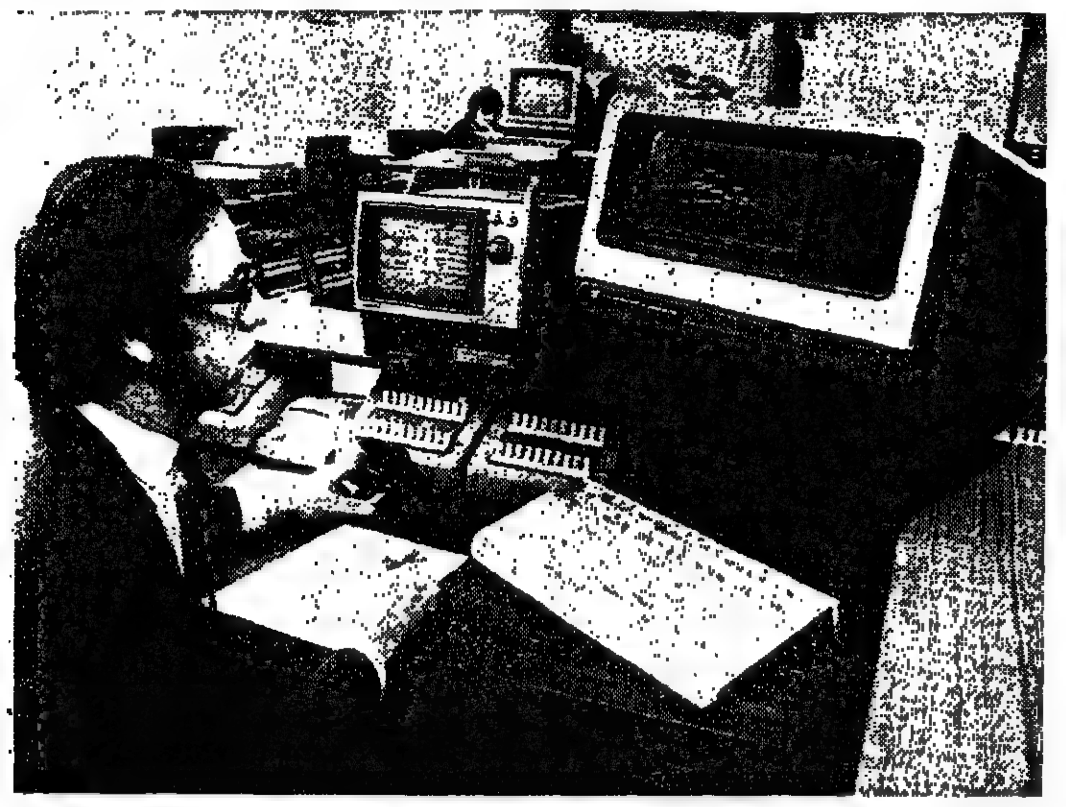
Britain is in a strategic position so far as the big U.S.-based networks are concerned and frequently is used as a bridgehead into Europe. The history of mergers and acquisitions is such, however, that there remains only one completely independent bureau service house (CMG), though there are several independent software specialists, the other companies being either associates of large industrial groups or U.S. advanced bases.

Nevertheless, the Computer Services Association, after a painful and protracted gestation, has earned enough respect for the Department of Industry to entrust to it the study of an important new industry—office electronics—with a view to establishing it so strongly in Britain that it cannot be swept away by a flood of imports.

CSA is influential in Europe and the parallel organisation — ECSA — speaking for eleven countries, can talk on an equal footing with the emergent supra-national groups in Brussels and elsewhere.

Is the day coming where joint action by ECSA/Adapso on manufacturers will be a commonplace? That is an interesting question now that turnover under U.S. control of general purpose and mini machines has risen close to the $30bn level.

Ted Schoeters



City Computer Systems, London, have reduced the number of terminals which clutter dealers' desks—by modifying a Sony 9 in. colour television by the addition of teletext decoding facilities. A salesman in the gilt operations room (above), at Laurie Milbank, has access to a wide range of information, including the in-house CCS computer system, yet he needs to cope with only two terminals

COMPUTER SERVICES: BILLINGS TO ALL CLIENTS

For work done—figures £000 (current prices)

Heading	1971	1972	1973	1974	1975	1976	1977	1978
Computer processing	40,190	46,357	56,923	73,506	102,944	118,618	133,840	163,350
Professional services:								
(a) Systems	13,971	16,434	22,678	25,953	29,792	51,105	65,097	79,782
(b) Consultancy	4,768	5,824	7,357	9,849	12,108	24,445	38,650	43,735
Data preparation	6,643	7,400	8,824	9,750	11,150	4,921	4,433	4,806
Other billings	2,459	2,598	3,776	5,923	6,882	19,367	22,567	31,684
Unclassified	1,207	1,071	4,491	3,622	1,474	2,244	5,844	8,304
Total	69,238	79,684	104,049	128,606	164,348	220,700	265,431	332,071

BILLINGS BY CLIENTELE

(£000, current prices)

Heading	1971	1972	1973	1974	1975	1976	1977	1978
UK clients:								
(a) Public services	7,670	11,116	13,840	15,182	18,393	30,261	33,098	41,319
(b) Others	37,197	40,186	51,418	63,664	82,419	113,173	139,623	180,460
Foreign clients	2,482	3.877	4,767	5,664	7,562	10,562	13,552	19,509
Other computer services	822	866	1,034	796	—	—	—	—
Parents/associates	20,206	23,316	32,988	43,300	55,974	66,704	79,158	90,783
Unclassified	861	323	2	—	—	—	—	—
Total	69,238	79,684	104,049	128,606	164,348	220,700	265,431	332,071
Of which net outside billings	49,032	56,368	71,061	85,306	108,374	153,996	186,273	241,288

New technology helps to reduce costs

FIVE YEARS or so ago, when the mini-makers were threatening to sweep all before them, the watchword in the bureau industry was the familiar "If you can't beat 'em, join 'em!" Thus, several service companies in Britain began to buy and install various types of minicomputers in user premises, operating as slaves to the main machines at the service centre. Centre-File, part of the NatWest empire was probably the first in this area.

Power of the new minis has been increasing by leaps and bounds and anyone at Prime of Perkin-Elmer will now tell you that their latest machines are more than a match for a whole series of mainline models costing five to 10 times more.

Meanwhile, the advent of microprocessors is helping mini-makers to reduce their prices and there is further pressure on those bureaux who have not yet done so to propose minis or mico-based stations to their customers. This pressure has, in some cases, resulted in price cutting action which is hardly wise in view of the rising cost of software and of people—always a major services industry overhead. Mini and micro promoters are not having it all their own way, however.

In the eyes of some consultants most of the small business computer systems in the hands of the average user are unsuccessful, that is compared with what a properly operated system could be doing. This stems from over-eagerness on the part of the neophyte to try to do everything on his new system, including those jobs definitely not suited for automation.

At the same time, the mini tends to be more vulnerable to interference for criminal ends partly because by definition it is more difficult to provide the security interlocks available with the large machines and their retinues of operating staff. Limiting access to the mini also negates one of its main selling points—ease of use.

A leading U.S. vendor of micro-based equipment, meanwhile, has filed for Chapter XI, indicating that it has at status somewhere between solvency and bankruptcy. Imsai Manufacturing Corporation, which so far has been an industry leader, lost heavily in its preceding fiscal year and, though profitable since then, it is still suffering from the aftermath of over-rapid expansion. This is believed to be affecting several other of the U.S. micro-houses.

Imsai started off by doing 80 per cent of its business in chips and had swung to about the same proportion in finished systems.

Heavy costs in development and defective machinery have been the main problems which the company might not be able to solve. Any further intensification of the American recession in data processing—which does not seem to have hit the service industries yet—could affect other companies in this particular area of micro-chip exploitation.

Whatever happens here, it is an area that the service industries have to watch very closely if only because of the sweeping claims made for the new generation of micros.

Installation of minis and other forms of intelligent terminals on users premises by U.S. operators is being carried out by just over half the companies involved and at mid-year, 2,000 or so machines had been placed on site and connected into the mainframes and more than 5,000 are expected by end-1979. But how long this will continue, or whether the trend wil lbe reversed is hard to say since operators have not made up their minds whether provision of maintenance and other services to mini-users will continue profitable.

The big question being posed in America is what happens following the considerable delay of six to nine months in deliveries of IBM's System 38 equipment. Some customers are pleased because of slower business conditions, others will face difficulties. They will undoubtedly be relying on bureaux to take up any urgent processing needs their current equipment cannot meet. Orders world-wide are put at 30,000 systems and whatever the outcome for IBM and its competitors, there clearly could be a good deal of benefit to the service groups.

Some bureaux specialise in turnkey operations where the ultimate user does not wish to become involved in all the complexities of selecting a machine, developing the system and training staff. The main problem here is the end-user frequently fails to specify exactly what he will want his future system to do and the outcome will normally be a compromise unless, of course, the end-user agrees to take from the vendor what his business really requires, leaving the company organisation study and indeed every other step in the vendor's hands. Sometimes, this will leave the user with surplus power the vendor may tap.

An interesting trend in distributed computing is the move, by ADP Network Services, among others, to install at larger user centres machines (such as the DEC 2020) able to support 32 time-sharing users. Added to this equipment are a pair of processors, one of which allows the client to communicate with his own equipment from any point on the ADP net in the U.S. the UK and Europe. The other links the local machine to one of the three ADP central computer locations. This helps to solve problems of preventive maintenance and diagnostics while taking care of practically all operational tasks.

Another way of solving user

CONTINUED ON NEXT PAGE

A new computerised invoicing and inventory system for the motor industry is demonstrated to Sir Terence Beckett, chairman and managing director of Ford Motors, by Mr. Tom Garnier, managing director of Kalamazoo, the Birmingham-based business systems company

هكذا من الأصل

Concern over use of sensitive data

A HANDFUL of governments—that of Canada, in particular—are becoming increasingly concerned at the amount of vital information, captured within their countries on every aspect of business and economic life, and then transmitted to a series of vast computerised databases in America. There it is used for processing and further application in solving problems of companies and other organisations in the countries where this data originates.

Some of the concern stems from the different approaches to privacy adopted in the various countries. Much more is beginning to flow from the realisation that where heavy use is made of an extensive foreign database equipped with powerful manipulation software, the users are spending large sums on improving their own services, but falling progressively further behind in high level processing knowhow.

One is dealing here with a much greater problem than that presented by a lack of, say, 5,000 expert jobs in Britain, multiplied by a factor of between eight and 10 for the whole of Europe. American estimates show that at the moment, half of that country's GNP comes from information services and/or technology and this figure is growing. As indicated elsewhere, computer hardware alone earned $30bn for the U.S. last year. Probably half the $5½bn revenues of the services industries in Europe this year will go to subsidiaries of large U.S. groups.

Far less than that will be remitted to parent companies in the U.S. because of the various arrangements between parent and subsidiary and the latter's local sponsoring groups where, as sometimes happens, there is joint ownership with a major national company.

This is not a criticism of the way in which the big networks operate. It is intended to point to serious concern in America that many countries may follow the line taken by some Canadian provinces to prevent credit information from going outside their territorial jurisdiction.

The problem is all the more worrying as greater reliance is placed by governments and industries all over the world on easy access to large information stores. And seen from the U.S., growing "foreign" resentment and indeed overt action is not along the lines of a trade war but a counter-revolution to the information revolution.

Many countries which need the data held in U.S. centres seem to fear "electronic colonisation" and that the constant flow of data from such centres could undermine their national status through insidious propaganda.

Most of the European countries are raising barriers to the transfer of sensitive personal data and some American observers feel that there may come a time when data banks may have to move to "data havens" where no trammels exist to what can be stored or transmitted.

Several of the major international operators of information processing networks including Honeywell/GE and CDC have drawn some of the critics' teeth by establishing major data centres for their world networks inside Europe.

But it is a fact that several new large networks are being planned by common carriers to incorporate a large degree of processing.

Though there will undoubtedly be head-on conflict between U.S. carriers and manufacturers it seems likely that the FCC and other U.S. regulatory bodies will still take more heed of the gospel of free enterprise than of the many warnings now being uttered in America on trans-border data flow.

The most recent call to take heed of what is happening, particularly in Europe, came at a meeting in Denver of auditors linked with the industry. A speaker for Computer Resource Controls pointed out the danger that indifference in the U.S. could lead to other countries insisting that databases be localised. Eric J. Novotney, a security and privacy expert with that group, indicated that in France, for instance, a recent government investigation had shown that a U.S. group based in Cambridge, Massachusetts, held more organised economic information on France than the French Government itself.

Problems

It looks as if the problem is being solved at one end while being added to at the other. Now some of the large U.S. banks are joining in, to the great disgust of Adapso.

And over the whole scene looms the shadow of IBM's Satellite Business System, together with comparable services planned by Xerox and Sperry Univac, among others. These are threat to existing large networks and to the very existence of hardware companies unable to compete in the same league. However fast the Europeans may stumble ahead, anything on these lines is unlikely to take shape as a European venture for at least five years.

This is despite the efforts being made individually and jointly by European nations on such schemes as Germany's electronic telex, the Nordic Data Network, the packet-switched network CTNE in Spain, Transpac in France and Euronet.

Facing these ventures are Tymnet, Telenet (Arpa), Compak (ITT) and the Bell value added network.

It would be a pity if, after all the great intellectual and technical effort put into the development of all these methods to improve communication, the result should be further division between the more advanced countries.

The large groups have accumulated priceless expertise on the running of high capacity communications links and maintaining their integrity over otherwise indifferent local services. This expertise is being tapped by other industries for their benefit. For example, quite recently Tymshare Incorporated, whose British offshoot is 33 per cent owned by Unilever, has just signed a £1m contract to provide a U.S. private data network for TRW. It will have 20 nodes and link more than 30,000 users of the group's credit services to a data base of consumer and business credit information.

This will be connected to the international Tymnet, the largest public packet network in operation, functioning since 1971. It has 375 nodes (active communications processors) and provides access to 225 large host computers of 60 models with the ability to handle 2,200 simultaneous communications. Twenty two countries outside the U.S. are connected.

Another form of expertise is in the tackling of problems that other groups are loth or unable to solve. One instance is the taming of the Cray computer—the most powerful machine so far brought into operation—by United Computer Systems of Dallas which has enabled its UK subsidiary, London United Computing Systems to claim to be the first to offer commercial services on this amazing machine.

In a similar vein is the aid provided in America by UCC to Hughes aircraft which in August used the UCC computers at a Dallas centre to launch Western Union's third synchronous satellite into orbit.

This added Western III to the group's previous seven satellite projects and because of the extremely tough requirement of launch and move to station, it is no small feather in UCC's cap, particularly as the Univac machines run by the latter were not employed solely on the launch. This job is in sharp contrast with the serried ranks of machines at Kennedy, Houston and Huntsville, all dedicated to NASA launches.

On this side of the Atlantic, it is essential to note the expansion of GSi which recently took over the CRC Information Systems Organisation. The aim of GSi, which is essentially French-based, is to become the biggest service group in the UK by the turn of the decade. It already is in that position for the rest of Europe.

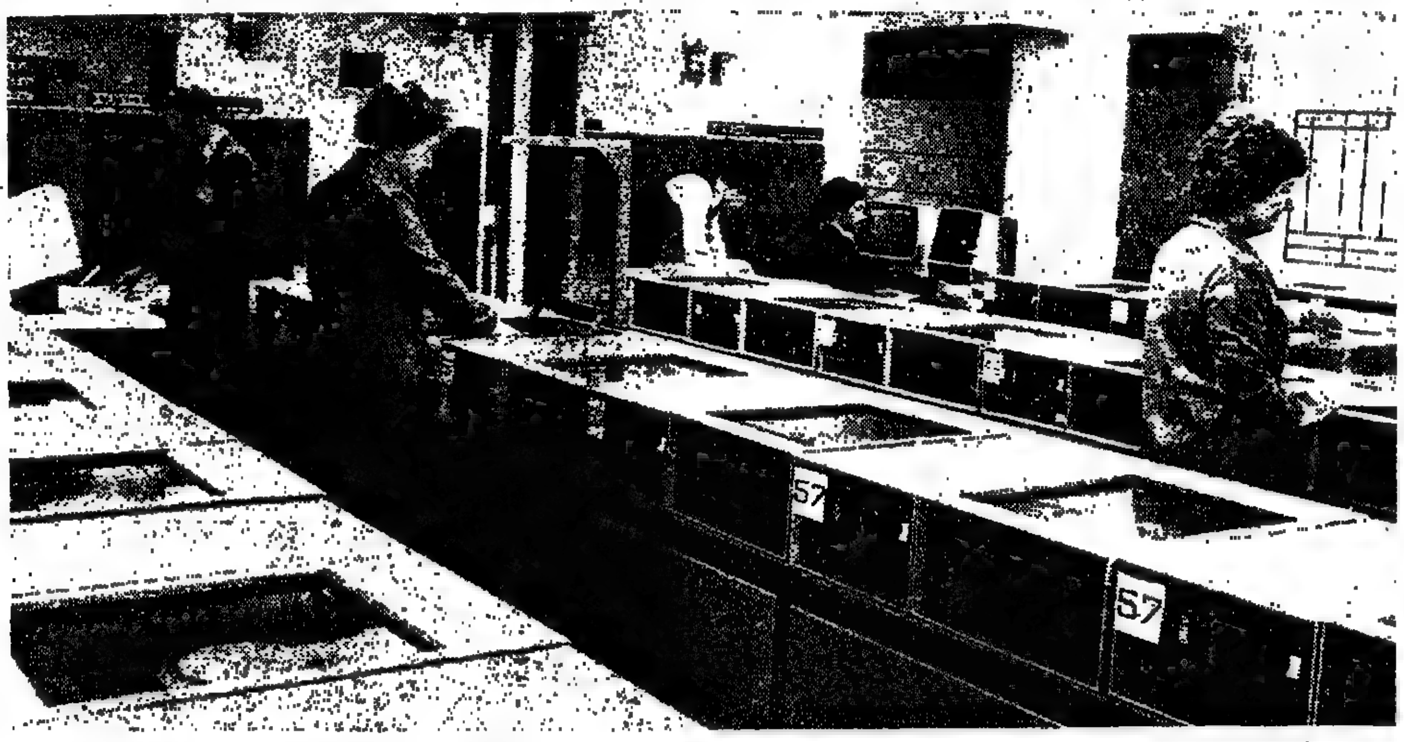
One of the services operated is for Infoline, the organisation set up in 1977 to create a major British technical, scientific and commercial database. The service is in the form of facilities management and will be worth several million pounds. So far, 6,000 Megabytes of Infoline information have been assembled.

It is not, therefore, a coincidence that GSi has become the first host bureau of Euronet after having been the first on the IPSS packet switching system—the UK Post Office's comparable system will be accessed soon. The main upshot is that any Euronet user can now gain entry to the Infoline data base, as one of the 100 or so bases available in the Euronet.

There is almost feverish activity taking place in communications/computing networks and the reason is not hard to find. Revenues from such activities are rising at a rate of 25 per cent annually—those of the world's six largest computer builders are growing at just over half that rate, namely 13 per cent.

That Europe is lagging to the present extent must be attributed in a very large degree to the narrow-minded parochialism of the respective PTT organisations.

Ted Schoeters



A section of the Unilever Computer Services Centre at Watford, where operators (in the foreground) are loading disk drives to run clients' computer programs. In the background are two of the centre's ITEL AS/5 main frames

Technology

CONTINUED FROM PREVIOUS PAGE

problems is to help in the lengthy and sometimes difficult job of converting from one system to another. Computel is a past master at this and is offering customers a site on which they can gain hands-on experience of new ICL machines during the run-up to conversion with transfer taking place when the bureau and the user are satisfied that all is well.

MSP Software Products has just disclosed that it will be providing somewhat similar support, but with the new IBM 4300 series.

There is nothing yet in Britain to compare with the large distributed system projects being undertaken in America by GEISCO where users can have as many as 160 terminals and 800 data screens under the Marklink aegis. The end of the year should bring the number of active users to close on 30.

Apart from supporting users' data needs, some groups are plunging deeply into direct hardware marketing, as witness the involvement of Gamma Associates in a fast additional store described as "solid-state disc memory." Compatible with the DEC machines on which Gamma bases a great deal of its activities—though there are many Series 1s to come—it is about 100 times faster than cartridge disc sub-systems.

Some of the bureaux are plodding along in the same way as they were five years ago, supplying the traditional, reliable batch processing work they did then. And to those who might suggest to Data Sciences International that it is time they took to new technology, the management will point to the Greene Report which puts them seventh in the list with profit margins of over 17 per cent after NMW Computers (28) ADP (22.14), Data Logic (22.10) Comshare (20.73) and Atkins On-Line (17.65 per cent).

One problem of concern to all suppliers of services is the continuing absence of any satisfactory means of protecting their heavy investment in software, particularly now that international trade in this intellectual comodity is so brisk.

An amendment to the present Copyright Act is long overdue and if the present administration did nothing more for the computer community than provide the needed protection, it would be remembered gratefully for many years to come.

T.S.

Questions on maintenance

HARDWARE MAINTENANCE services for their customers provide suppliers of mainframe computers with as much as 30 per cent of their revenues. The major computer manufacturers employ what can only be described as small armies of service personnel and some of their biggest customer installations have enough engineers permanently sited there to make up a football team.

So it is not surprising that independent maintenance companies have sprung up to take some of this lucrative business away from the major vendors by offering services that are sometimes more effective and nearly always less expensive—*up to 30* per cent cheaper, in some cases.

Big IBM computer users, who outnumber all the others put together in most countries—Britain being one of the few exceptions—enjoy by far the best choice when it comes to deciding who is going to take care of their valuable hardware. Independent maintenance companies tend to concentrate on offering services to IBM users, not only because there are so many big IBM computers around, but also because IBM's attitude towards these third party maintenance firms is far more accommodating than that of most other big computer suppliers.

Policy

Provided the computer is not rented, in which case it still belongs to IBM, the computer industry giant will allow its customer to bring in a third party to service the hardware, in place of IBM's own engineers, and will even supply manuals and spare parts to the user without being awkward. IBM's accommodating policy is largely *the result of the U.S. Govern*ment's strict anti-trust laws which have also persuaded the company to provide service itself for any kind of IBM hardware located almost anywhere and of almost any vintage regardless of whether it is rented, purchased, leased from a third party lessor or brought from a used computer broker. If the user wants IBM service, he receives it.

One type of user who tends to look elsewhere is the IBM customer with a "mixed" installation where there are peripheral units, such as magnetic tape drives, disc drives or line printers that are totally compatible with the IBM system but manufactured by an independent company. These plug compatible manufacturers (PSMs as they are called) usually have their own maintenance engineers who work at a customer's installation alongside, but not always in total co-operation with IBM's engineers. There is seldom serious hostility between the two groups, but not surprisingly the job of identifying the cause of a system failure can be more protracted when the various engineers involved have expert knowledge of only part of the system. Hence, the attraction of a third party maintenance company that is free to maintain every piece of equipment on the site.

Probably the most impressive example in this country of a user with a mixed installation going to a third party maintenance company was when British Airways showed IBM's engineers the door just over three years ago and brought in Data Processing Customer Engineering, DPCE, an Australian based firm that was already taking care of the IBM hardware at Qantas. At the time, most of the peripheral equipment used with British Airways' IBM computers was already from PCMs.

Decision

The airline decided last year to also dispose of the *IBM* central processors and to replace them with machines from the Amdahl Corporation which are able to run the programs from the IBM computers, more or less without modification. Even though Amdahl itself could have provided *engineers to service its pro*cessors, BA decided that DPCE should take care of all its IBM compatible computer hardware and the airline renewed DPCE's contract in September 1978, for five years. The contract was worth £4m at 1978 prices over the five-year period.

Smaller *manufacturers* of computers that are compatible with IBM machines, such as the Magnuson Corporation which has just started selling its medium scale M80 machines in this country, can find third party maintenance firms very useful when they are breaking *into new markets.*

Magnuson, for example, has just sold two M80s to the Bangkok Bank in Thailand, as replacements for the bank's outdated IBM processors — and since Thailand is a new and remote territory for Magnuson the machines will be maintained there by a third party. In this case it is a firm called ITS, a subsidiary of SITA, the inter-airline network organisation.

No discussion of computer maintenance in Britain would be complete without mentioning ICL and without pointing out that ICL's policies relating to third party maintenance and, indeed, to maintenance in general, are regarded as being rather less accommodating than those of IBM.

Spares

Mills Associates, a firm which services more than 50 ICL series computers all over the ... that it has never bought spare parts from ICL itself, preferring to acquire them from what it describes as "other sources," rather than depend on ICL as a supplier.

Similarly, DPCE, which now also provides servicing for the other previous generation of ICL machines, the System 4 series (because they are quite similar in technology to IBM machines), says that rather than buying from ICL it obtains its parts from old System 4s that have been scrapped. According to DPCE it would have to wait nine months for an item ordered from ICL itself, while electronic parts from old System 4s are as good as new.

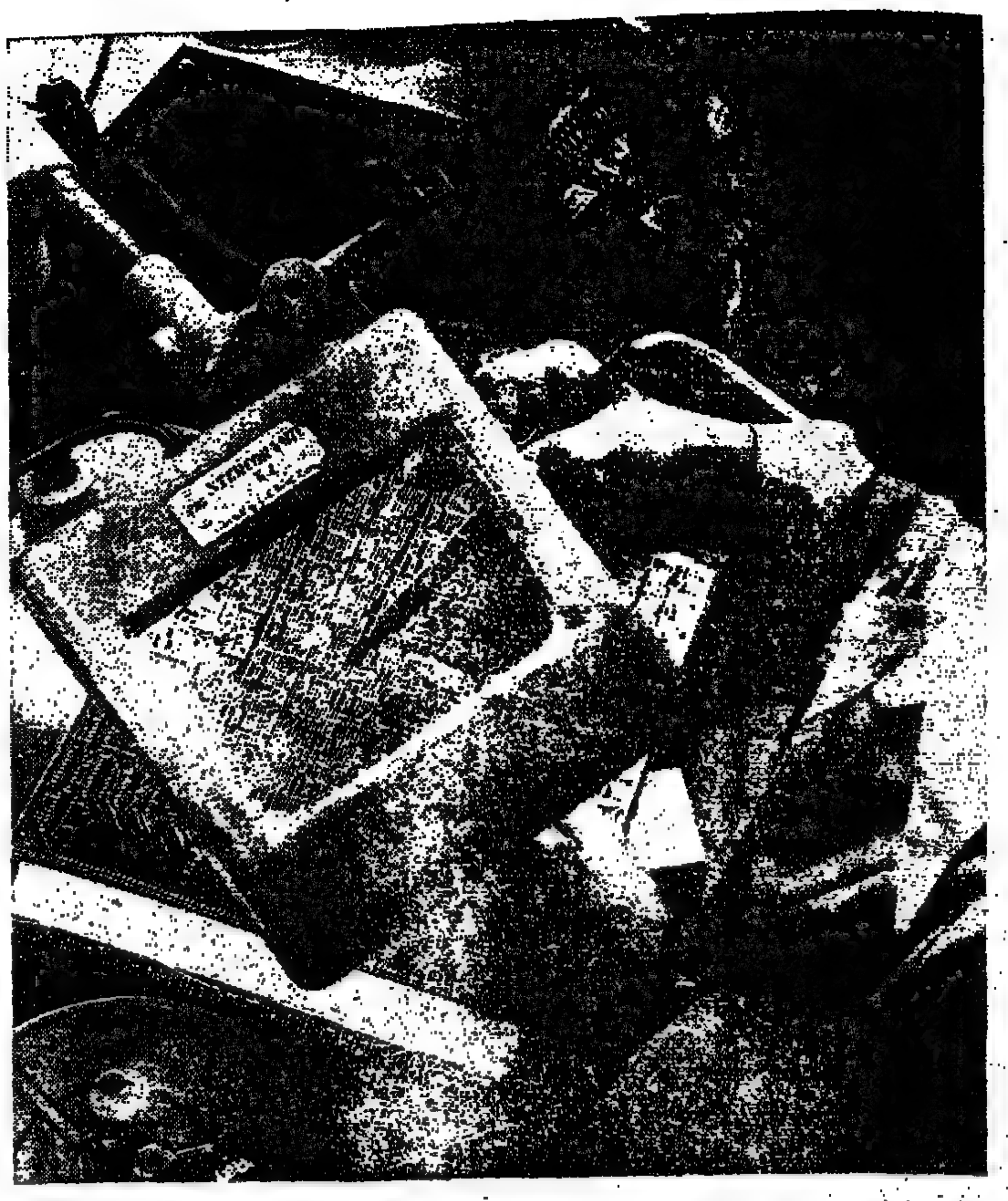
The ICL equipment-user who decides to bring in an outside maintenance firm has to pay ICL a one-off hire charge of £45 for the use of each service manual needed to keep his system running—and as many as 100 manuals can sometimes be required. Despite this extra expense, the services of a third party can still prove cheaper than ICL's, especially with older machines, because under ICL's standard contract the *company only guarantees* to maintain a machine for the first seven years of its life. At the end of that period a new maintenance contract can be drawn up, but the new charges will work out 20 per cent higher than before. Sometimes, ICL may simply decline to maintain the machine at all, even if it is still with its original owner.

Problem

If the machine is second-hand and more than seven years old, ICL will normally refuse to maintain it, with the result that some *used computer brokers* have found themselves stuck with a warehouse full of old 1900s in good condition which potential users are reluctant to buy because ICL itself will not service them. Indeed, this ICL policy is the basis of one of several complaints that have been *made about ICL to the* Office of Fair Trading—complaints which could lead to an investigation by the Monopolies Commission.

But if a customer is prepared to accept third party maintenance on the old ICL machine the broker can make a sale, which is why such brokers tend to work in close co-operation with companies such as Mills Associates. Mills not only maintains old ICL machines in this country it also trains users of old ICL equipment in countries such as India where economics demand that old machines be kept in operation, even though ICL itself would dearly love to replace them with gleaming new hardware.

Keith Jones



ITT employs more than 200 ... group's computer-based message ... A delicate operation on a high-density ... System

European airlines are a major target

PROFILE
Data Processing Customer Engineering

DATA PROCESSING Customer Engineering (DPCE), a member of the Datronics Group of Australia, seems to be striking it rich in the world of third-party maintenance.

DPCE—better known as "Deep Sea" to British Airways and Qantas—*is making* European airlines a key target.

When the Australian company ousted IBM from maintenance of £40m worth of equipment at Heathrow, it was regarded by some as a nine-day wonder and many queried whether DPCE would cope. But, according to Mr. Geoffrey Veal, "BA's up-time has improved dramatically and the airline is receiving better hardware performance."

Mr. Veal, who is chief executive of DPCE, says "the availability of the system is better and BA has been able to reduce the amount of hardware that it had on site, particularly magnetic tape devices."

Another advantage gained is that British Airways has been able to introduce a number of suppliers on the computer floor and now uses equipment supplied by *IBM*, Memorex, Amdahl, Itel, Collins and CCI.

According to Mr. Alan Jacobs, head of Computer Services at British Airways: "We are very satisfied with DPCE and they have done everything they claimed they would do. They have improved the hardware performance and have become integrated in our operation in such a way that this has made the whole operation flexible."

Since 1976, BA has probably saved £3m to £4m in acquisition of computer peripherals against purchase of IBM equipment. *The big benefit is that the DPCE* maintenance team, 31 in all, look after the total range of equipment.

"From the maintenance point of view it is the best-run computer installation in Britain," claims Mr. Veal. "With British Airways we have an extremely good rapport; BA take a great deal of interest in their equipment and how it performs, so we both have common objectives to ensure maximum uptime."

The original BA maintenance contract comprised IBM 370/168, 360/65, Univac 494 *equipment* and some add-on memory. IBM 360/65 and Univac equipment has now been phased out by Amdahl V6 and V7 plug-compatible processors. Another maintenance contract with BA worth £5m to DPCE, has been signed for a further *five years to September*, 1983, and this covers the entire set of IBM and plug-compatible equipment.

Last year the Australian company was given Federal Government recognition and presented with the 1978 Export Award, an annual event to mark excellence in export achievement.

It all goes back to the early 1970s when Qantas felt that there were interface problems between the two maintenance suppliers, IBM and Honeywell, and in 1974 DPCE took over the Qantas contract with total maintenance responsibility. The company's expertise in maintaining the Qantas installation was a major factor in the BA switch from IBM to DPCE.

Success of both Qantas and BA in terms of independent maintenance is attributed by DPCE to the support and the relationship that engendered with customers. In Australia, Qantas is similarly organised to British Airways. The two sides have regular meetings with plenty of feedback. Sometimes some of the faults bring difficulties—there may be a software hitch, or hardware malfunction. The software support comes from BA or Qantas, and the hardware support from DPCE, so there is constant contact.

Except for IBM and some plug *compatible suppliers*, there are frequent difficulties when it comes to the supply of spare parts, maintenance documents and technical support. "Some suppliers have openly stated that they will make it sticky for us to get spares and this seems a strange attitude," comments Mr. Veal. "But British Airways has been very good in looking after its interests and helps us in putting pressure on suppliers."

Memorex has certainly co-operated with DPCE in Australia, and in the UK the relationship between them is *good.*

Objective

IBM behaves very professionally and support to DPCE is excellent, adds Mr. Veal. IBM has an industry relations officer who makes sure that DPCE has the kind of service from IBM that it pays for — "To give IBM its due, a satisfied customer is number one objective regardless of who is doing the maintenance," comments Mr Veal.

But a lot of other manufacturers do not react with the same maturity: "They perceive us as an enemy and if they lose the maintenance they lose a lot of contact with the site and so, ultimately, lose the equipment — although, they need *have no fears in this regard,*" according to the DPCE executive.

Looking at the site itself, DPCE carries an enormous responsibility for doing the maintenance for BA. "If the equipment was down for any appreciable length of time, it would be catastrophic to the airline's operation worldwide," says Mr. Veal. "BA might never recover, because just everything is on that computer — reservations, aircraft scheduling, crew scheduling, flight plans, and so on." However, there are tremendously effective *fail-safe* procedures worked into the software/hardware and operating systems and it would take a major catastrophe to lose the whole lot.

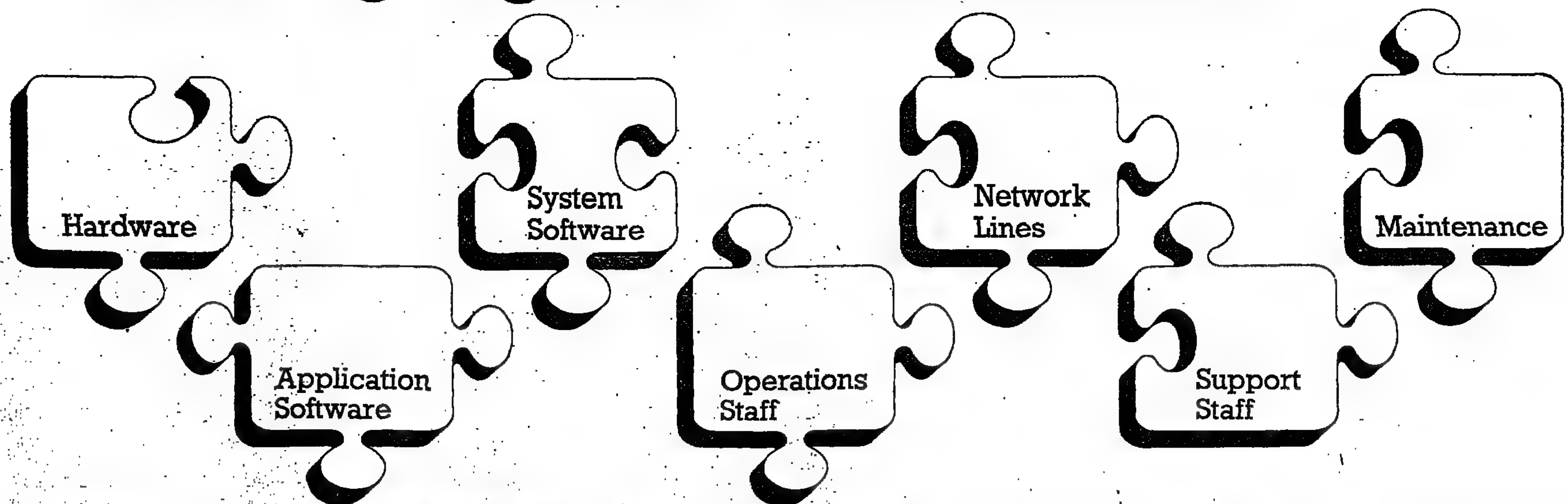
On the Qantas contract, DPCE has been having immense difficulties with one or two suppliers. Mr. Veal suggests that some suppliers are "merely interested in making a one-time sale to the customer and they do not seem to have the maturity, as I mentioned earlier, that IBM has."

Due to the high cost of spare parts supplied by manufacturers, one of DPCE's operations is to provide second-source spares. One of the methods of

CONTINUED ON PAGE VI

British Airways are "very satisfied" with the ... £40m worth of computer ... Above:

Puzzled over rising Computing Costs . . . .? Piecing together alternatives . . . .?



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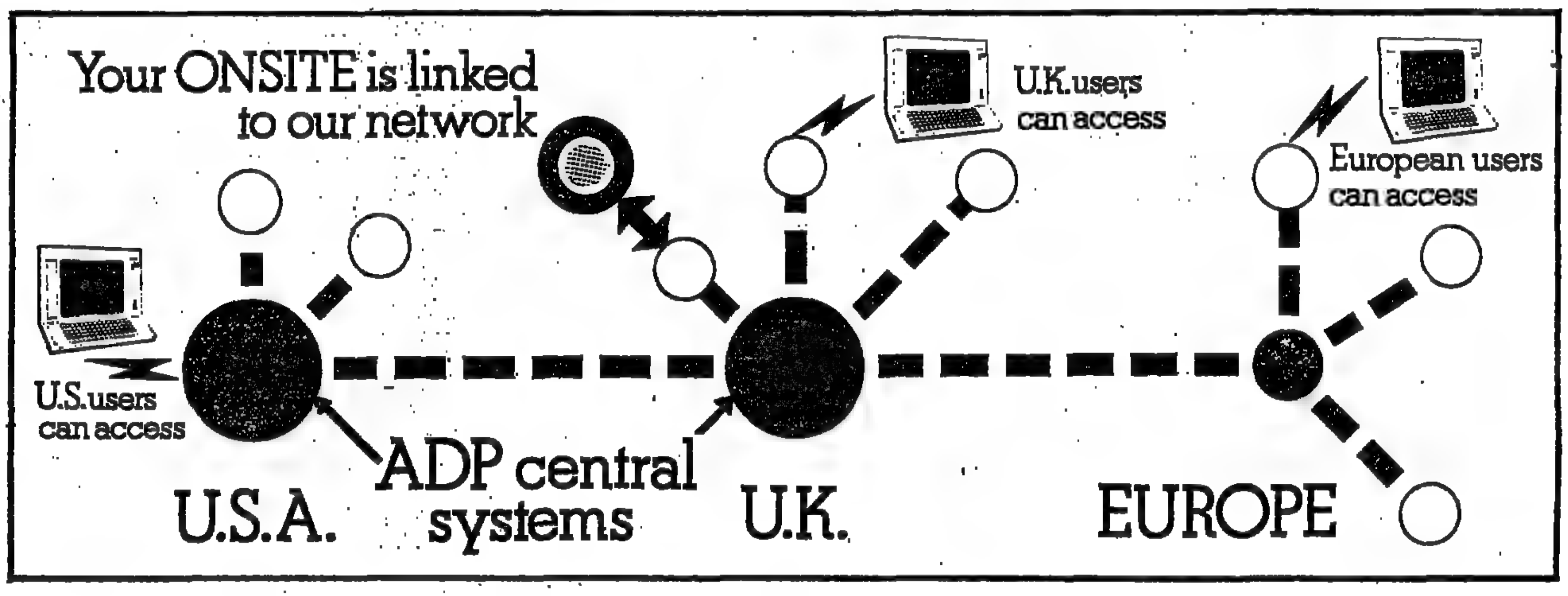

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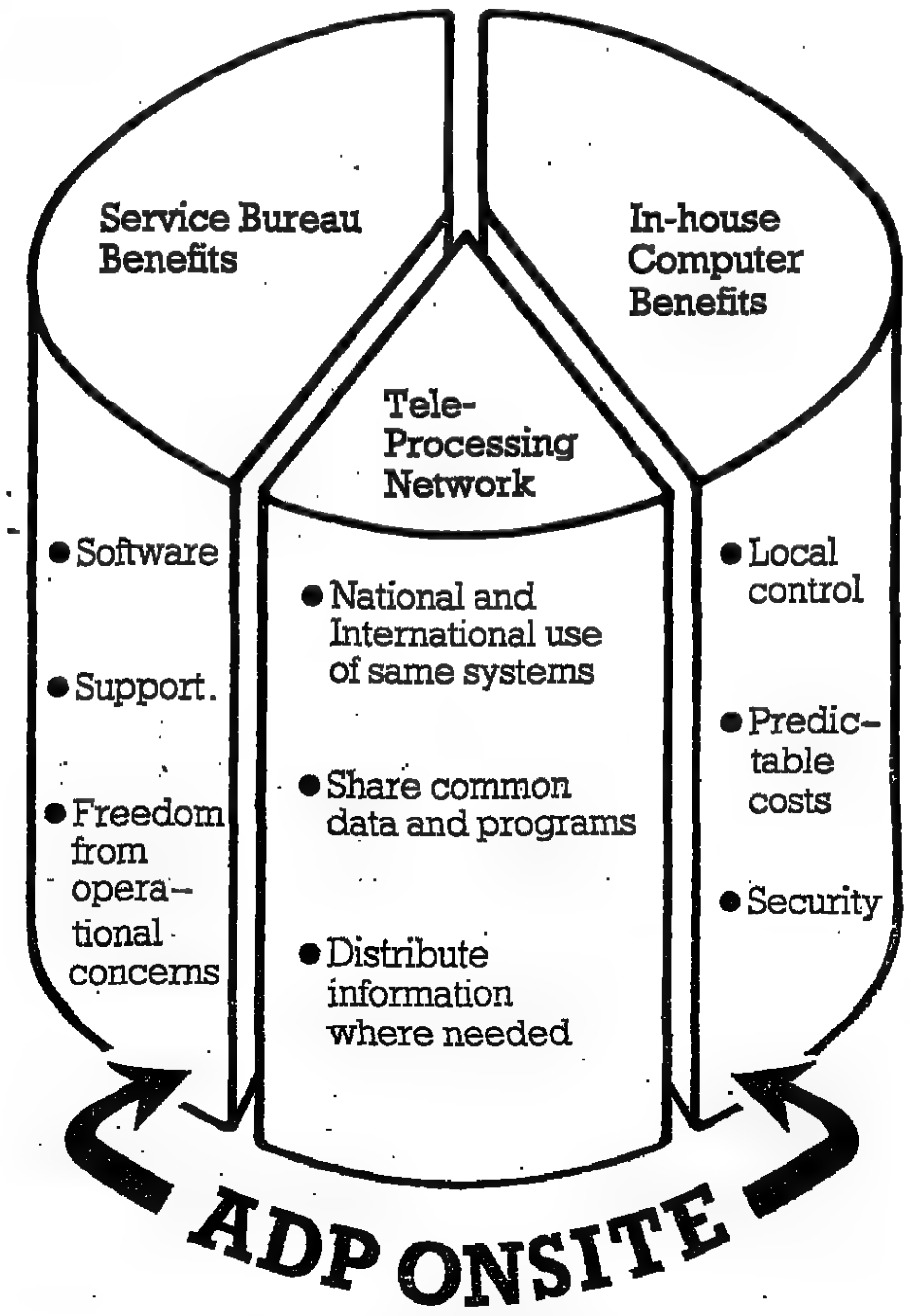

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Offshoots of the big users

AMONG THE more recent recruits to the computing service industry have been offshoots from the automotive world.

The stir caused by British Leyland's entry into the field arises because of its extensive long-term training efforts in the past, coupled more recently to aggressive plans using fibre-optic communications systems, microwave communication systems and other advanced techniques.

The BL Systems firm complements the Lucas Logic service in computer-aided design which has been steadily winning customers far from the automotive industry.

The rules governing the successful computing services firm have not changed at all in the past few years. What has happened is that new candidates from the blue-chip sector of British industry have emerged which are well-qualified to enter and expand in the computing services arena.

It is sometimes assumed that the major factor governing the spinning-off of a subsidiary in computing related matters stems from the financial strength of the parent organisation. However, this is generally of only limited value in that it does something to ensure continuity of service. The main point was once well put by Mr. John Playfer, director of RHM management services (derived from Ranks Hovis McDougall) when he remarked that "it you hire lion tamers, then you had better give them some lions to tame."

In RHM's case the taming activity centred on the management of communications for data, complete with the adapted software to suit variable traffic loads impacting a computer centre. It was this kind of experience which quite naturally led to the operation and extension of an information retrieval service run on behalf of the British Library. The needs of literature searchers may seem far removed from the main business of RHM, but what connected them was extensive skills in combining different computers through telecommunications links to deal with rather unpredictable patterns of traffic.

Similar sets of skills, and a comparable pattern of resolving hardware and software problems under testing commercial pressures have given rise to both the BL and Lucas offshoots: The creation of outside customers, with their interests which are often far removed from the "family" industry serves to stimulate the skilled staff trained in various aspects of computing. In one company it has been talked of as "a continual exploration of many trades and industries, and, in some cases, of completely alien cultures."

Without such a challenge the staff would, perhaps, otherwise leave to join external computing service companies, thus depriving the training organisation of the greater value from the investment made in a person's most formative years. By creating a services offshoot in computing, the parent organisation is able to reverse the process by attracting "super-skills" which would otherwise always have to be hired from specialist firms.

Affiliates

Observers of the international computing service scene will recall that all three U.S. aircraft builders — Boeing, Lockheed, and McDonnell Douglas have developed affiliates in computing. It is no accident that as computing has been generalised so that it is used and understood much more broadly in less avowedly high technology firms, so offshoots in computing should spring from a number of general industrial organisations.

For the intake of staff into computing within these parent companies there is appearing a double option. Those who wish to progress within the family industry can still do so. In fact, as computing becomes absorbed into the blood stream of general business it becomes a natural path to general operational management.

However, those staff who find the exploration of the frontiers of computing, in itself, an absorbing task can remain employed within the parent structure and yet develop, either technically, or managerially, in a fast growing industry.

For example, the Lucas Logic design techniques have led to extensive use of its automatic model maker for containers: typically these are articles found on supermarket shelves and nothing at all to do with cars or trucks. The automatic model-maker derives its feeding data from the graphics display-based studies and is itself controlled by a microprocessor. In this way, the real three dimensional prototype is rapidly produced from the more theoretical work carried out on the designing computer system.

The early years of development within the computing service industry saw the first affiliates in this activity from major stock exchange names mostly derived from the financial sector. Perhaps the best-known name among this group is the Centre-file firm owned by the National Westminster banking group. This particular computing organisation has become a valuable training ground for managerial talent because of the very competitive nature of the market in computing services.

Since the banking world has a great need of well-rounded young managers, the availability of a school for such talent, which in itself is a profitable service business, is a major asset to the parent bank.

Among the very oldest service firms in computing are the affiliates of the BOC group and of British Petroleum. The BOC Datasolve group in computing has recently added a major software development firm in Software Sciences and this also adds a mechanical engineering support string to the BOC bow by including Software Sciences Engineering within it, which has developed a system of computer support for design which merits attention.

From the BP umbrella, the two arms of Scicon are part of the 20-year-old fabric of computing services, spanning both bureaux operations and software and systems development.

As more and more users of computing service firms seek to determine a stable source of computing skills to support applications which are crucial to the health of their businesses, the attractions of a firm which is based in a larger grouping become more compelling, year by year.

But the benefits of financial soundness extend to the matter of software supply for users. The topic of financial planning via computing has been extensively studied in the U.S. and it is wasteful to repeat the basic investment in Britain. The Hill Samuel banking group subsidiary in computing services—Lowndes-Ajax—has accordingly joined its UK market to U.S. sources of experience.

The further development of these techniques becomes more certain with pan-Atlantic support and users on both sides of the water will benefit. Although Lowndes-Ajax sought this deal on its own initiative the backing of Hill Samuel must have encouraged the U.S. party in picking a European partner. Similar considerations tend to apply to deals with continental equivalents in computing services and these are becoming more common every month.

In some senses, it can be stated that the French set the pattern for the growth of the British computing service industry through "parental" strengths when, at the instigation of the French Government, several years ago, there were major consolidations in France, most of which secured an umbrella from existing financial or industrial complexes.

Although the era of the independent in computing services is never likely to come to an end, the balance of advantage has shifted markedly to groupings simply because of the better understanding that exists of how to measure the performance of a computing entity, and how to plan for its growth.

Hedley Voysey

Springboard for expansion

FEW COMPUTER bureaux regard themselves as being in the classic wholesaling mould any longer. That is to say, that their function of "breaking bulk" is a minor one, although that is historically where the idea of a bureau came from.

But since computing power is not confined to very expensive centres and is, now, through minicomputing and personal microcomputers available, in one form or another, to businesses at remarkably low levels of capital expenditure, the bureau in computing has taken on a new guise.

Basically, the current concept of a bureau rests on the ease and rapidity with which a user can tackle the next most urgent problem which has caught the attention of its senior management. A typcial computer bureau has long since become accustomed to taking on board users which already have a computer within their organisation.

Several bureaux currently seek to reverse this process by building up a work load using the bureau machine and then making a sale—as an agent—of a machine able to do much of this load without using the communications links to the bureau. For what has been discovered is the law of the exploding computing universe. However heavy the existing computing load, the list of desirable applications of computing is always greater than the set of what has been done so far.

Basically, the great accessibility of current computers has merely served to carry out the much-needed introduction of business to an understanding of what is feasible.

An extreme example of the connection between the very cheap personal computer, which can be bought through a large hi-fi store, and the large computing bureaux, can be seen in the use of the personal machine to exploit its programmable competence so as to access several different bureaux.

The microcomputer and store contained in the personal machine can be used to ameliorate the diversity of procedures required to access different bureaux.

Several kinds of operating systems used by large central machines can be made to look very similar to the user of the personal computer. The microcomputer can also be used to remember the correct telecommunications rituals followed in differing countries and also to keep an accurate accounting log of which facilities have been used and exactly when.

As time goes on for a user of several bureaux, it becomes increasingly important that the terminal used should be able to insulate the using desk from nearly all the changes made to the services consumed through remote linkages. This creation of a stable floating platform for the user demands the use of a microprocessor within the terminal and the use of programs supplied by the bureau bidding for custom as part of the connection service.

In the long run it is to be hoped that standardisation efforts will minimise the range of differences involved in switching from one network of computers to another. However, the competitive instincts of service firms will always ensure that what is freshly attractive is likely to be slightly different in the context of the user.

The executives in computer bureaux tend to regard it as unthinkable that there is any final pattern to computing use.

What is more, they believe that the bureaux experience of careful costing, marketing, continuous development, education and sheer opportunism is an unbeatable guide for the business which wants to know just how to do anything related to computing. It has been the bureaux which have made all the running in letting users experiment with simply constructed databases, created from existing files which were however, not accessible to many users for development purposes.

Strategies

The bureaux have through this (relatively expensive) technique helped plan many longer term strategies for in-house development by organisations, which would otherwise have been left to conjecture as to what was useful as a database. Many users still transfer some files to a bureaux for special manipulation and interrogation. Several production management scheme would never have been designed to run on small local computers if the trial design had not been achieved on a bureau in the first place.

The early trails of distributed files within a number of businesses are taking place in the same way. First, some section is being accessed after transfer to a bureau, and then, if all is well the principles of "divide-and-conquer" will be applied to the main computer strategy on the organisation's own machines, the specification of which should be made easier by the pilot plant experience of using a bureau.

In some cases, the bureaux are investing in special development software to enable the development of systems to be appreciated by all grades of user staff liable to operate a visual display unit. This enables the difference in usage to be established between the regular display terminal operator, and the occasional user of such a display, who will need more help to ensure that correct answers are obtained from stored files.

The development of a variety of dialogues through visual display terminals to suit different parts of the system, and different classes of user, is easier to do via bureaux. In some cases, the basic version of the final system is actually installed on very small business computers indeed, but the programming can take full account of the fact that the specification has been exhaustively experienced, as well as discussed, during the bureau based evolutionary phase.

In organisations where private forms of viewdata are being planned and installed, it seems likely that connection of these services to an external bureau will be one of the better ways of establishing whether the computational enhancement of a viewdata service is really desirable.

The British Post Office's public form of viewdata, Prestel, poses a puzzle for the bureaux world. The slow development of this service means that it is difficult to see how connections to it might be usefully planned.

Since the costs of Prestel units are now roughly comparable to that of a personal computer, the Prestel development gain is seen by some purely as the availability of a connection (via what is called a modem) to telephone lines which can be bought without direct recourse to the Post Office.

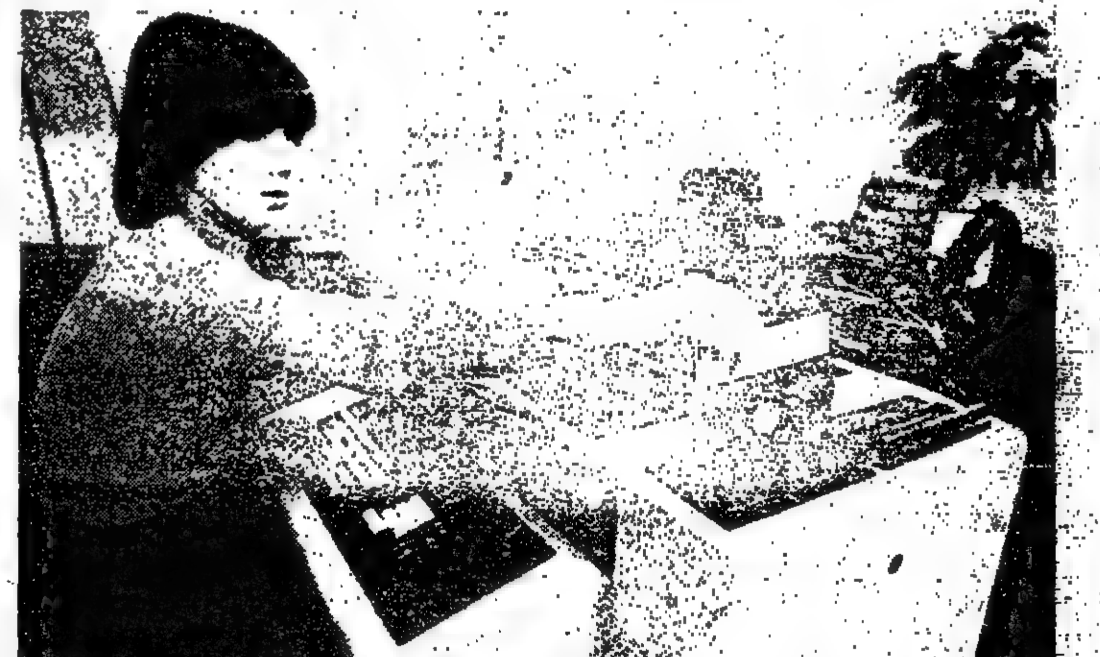
Since the Post Office has specifically stated that it does not regard the Prestel service as part of its monopoly, there is also a fear by some bureaux that private rivals to Prestel, intended however for public use, would come from the giant multinationals in the industry. It is still quite unclear as to what kind of services would be legal through the public offering of rival services to Prestel.

The impending clarification by the Department of Industry as to the extent of the monopoly exercised by the Post Office would be welcome by the computing bureaux industry. However, it might lead them into a head-on clash with really massive technological companies.

For the time being, the bureaux welcome all developments which enhance the use of any type of computing. The struggle in the past has stemmed from the inability of many business executives to know what computing could do for them.

With this barrier down, the bureaux feel that building a market for their services, even though these have to continually develop, is always possible. They believe that bureaux act as a springboard for expansion, development and the special service which is altogether too difficult for the isolated individual centre to create.

Hedley Voysey



This visible-record computer in the Kienzle 2200 series (aimed primarily at the first time user) combines the advantages of magnetic stripe cards and floppy discs. The cards retain the benefits of having a hard copy record, while discs enable more than one record to be accessed simultaneously.

Target

CONTINUED FROM PAGE IV

doing this is to purchase second-hand equipment which is then broken down into a spare parts inventory. This inventory is then maintained by repair or additional purchases when it is used. As Geoff Veal puts it: "We bought some Honeywell computers for ourselves, just to raid them for spare parts which is one way of getting round it. Amdahl circuit boards are extraordinarily expensive to us, and IMB boards, although readily available, are just as expensive. So we do consciously buy second-hand machines to obtain spare board supplies because this is cheaper.

"We also do some board repair—we replace a faulty board in a computer, and bring it back to our workshop and then replace an individual component." So, as far as the customer is concerned, DPCE does endeavour to improve its supply position and to keep prices down.

In costing a site and preparing a quotation, the maintenance company states that it does not cut the supplier's price. Its price is based on the actual cost of maintaining the equipment, including such items as spares usage, spare inventory cost, labour costs, training and so on. In most cases it comes out 10 per cent to 20 per cent less than the mainframe suppliers' maintenance cost for the equivalent maintenance service.

At times DPCE is called in to "shake up" the existing maintenance, as happened on one installation in Melbourne. The customer informed the supplier of his intention to change to DPCE and the end-result was that the supplier agreed to provide maintenance at a saving of $30,000 a year on the current charge.

The very presence in the market place of companies such as DPCE appears to act as a regulator and this has probably helped to stabilise maintenance prices.

Some of the moves to combat third party maintenance are interesting. IBM normally offers 12 months "free" maintenance in the selling price of the central processing units. Providing the intended purchaser of the equipment from any manufacturer insists that the supplier agrees to provide the necessary support, such as the provision of spares, documentation and training to a third party maintenance company, then the purchaser leaves his option open to use third party maintenance, if he wishes to do so.

Before the purchase agreement is signed, most suppliers will agree to comply with the purchaser's requests, but this is not necessarily so after the purchase agreement has been signed. DPCE points out.

BA has been successful in selling software packages worldwide and Saudi Arabian Airlines has been sold a management facility for its reservations system which is run on BA equipment at the West London Terminal which DPCE maintains.

The majority of airlines in the world have purchased their equipment from IBM mainly because of the PARS/IPARS reservation system. DPCE has the European airlines in its sights but intends to tackle the U.S. market and will be talking to a number of large American airlines.

Another avenue for the maintenance company will be the U.S. Government agencies.

Diatronics has an operating company in Manila and Singapore, where it has had talks with the South East Asian airlines on third party maintenance. In Hong Kong, the company is looking into the possibility of marketing small business computers and word processing equipment.

New business for the company in Britain is progressing and the signing of a contract with Exeter University heralds the UK division's entry into the ICL System 4 market.

Marlene Brown

هكذا من الأصل

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
72-80, Gatehouse Rd., Aylesbury 0296 5941

Abbey Gilt Int. Tst.	107.0	112.6	.....	3.15
Abbey Capital	38.0	40.9	+0.1	4.72
Abbey Income	44.7	47.6	+0.1	7.36
Abbey Inv. Tst. Fd.	37.7	40.1	.....	5.68
Abbey Gen. Tst.	49.6	52.7	+0.1	5.02
Equitas Prog. Tst.	70.5	74.4	+0.3	4.76

Allen Harvey & Ross Unit Tst. Mngrs.
45, Cornhill, London EC3V 3PB. 01-623 6314.

AHR Gilt & Pref.	97.3	102.4xd	.....	12.00

Allied Hambro Group (a)(g)
Hambro Hse., Hutton, Brentwood, Essex.
01-588 2851 or Brentwood (0277) 211459

Balanced Funds				
Allied 1st	72.9	78.0xd	+0.1	5.33
Brit. Inds. Fund	71.0	76.0	+0.1	5.34
Grth. & Inc.	41.2	44.1	.....	4.99
Elect. & Ind. Dev.	38.4	41.4	.....	5.04
Allied Capital	77.3	82.7	+0.1	4.84
Hambro Fund	119.1	127.4	+0.1	5.77
Hambro Acc. Fd.	140.3	150.1	+0.5	5.04
Income Funds				
High Yield Fd.	72.9	78.0xd	−0.2	8.77
High Income	69.6	74.5xd	−0.1	7.52
A. H. Eq. Inc.	41.4	44.3	−0.1	7.65
International Funds				
International	26.1	27.9	.....	2.88
Pacific Fund	37.4	40.0	−0.2	2.23
Secs. Of America	58.6	62.7	+0.3	2.01
Specialist Funds				
Smaller Co.'s Fd.	48.8	52.2	.....	3.83
2nd Smlr. Co's Fd.	59.3	63.4xd	−0.2	4.10
Recovery Sits.	115.3	123.4	.....	5.44
Met. Min. & C'dty.	47.9	51.3	+0.2	5.07
Overseas Earnings	58.1	62.3	+0.1	5.31
Exempt Funds				
Far East Exempt	44.8	46.6	−0.5	3.01
Smaller Co. Exempt	75.4	79.2	−0.1	4.34
U.S.A. Exempt	101.5	105.6	+1.0	3.31

Anderson Unit Trust Managers Ltd.

Friends' Provdt. Unit Tr. Mgrs.♥
Pixham End, Dorking. 0306 5055

Friends Prov. Uts.	50.0	53.4	+0.1	4.58
Do. Accum.	66.9	71.5	.....	4.58

Funds in Court*
Public Trustee, Kingsway, WC2. 01-405 4300

Capital Sept. 13	111.5	111.8	+3.0	4.83
Gross Inc. Sept. 13	78.4	79.6	+0.9	9.80
High Yield Sept. 13	87.1	89.6	+1.8	9.49

*Unauth. Restricted to monies under Court control.

G.T. Unit Managers Ltd.♥
16 Finsbury Circus, EC2M 7DD 01-628 8131

G.T. Cap. Inc.	105.7	112.4	−0.7	4.10
Do. Acc.	131.3	139.6	−0.8	4.10
G.T. Inc. Fd. Un.	168.5	179.2	−1.0	9.10
G.T. U.S. & Gen.	137.6	146.3	.....	2.80
G.T. Japan & Gen.	82.1	86.8	+2.7	3.00
♦Gt. Pens. Ex. Fd.	223.2	234.3	.....	5.30
G.T. Int'l. Fund	154.9	164.7	+1.1	3.10
G.T. Four Yds. Fd.	53.8	57.2	.....	7.80
G.T. Far East & Gen.	45.4	48.8	+0.5	3.40

G. & A. Trust (a) (g)
5 Rayleigh Road, Brentwood. (0277) 227300

G. & A.	36.5	39.0	+0.1	4.95

Gartmore Fund Managers♥ (a)(g)
2 St. Mary Axe, EC3A 8BP 01-623 6114
Dealing only: 01-623 5766/5806

American Tst.	26.2	28.1	+0.1	1.59
British Tst. (Acc.)	62.2	71.2	−0.3	3.09
Commodity Share	31.5	33.9	+0.3	3.13
Extraincome Tst.	24.4	26.2	−0.1	9.42
Far East Trust	30.9	33.1	−0.5	1.08
High Income Tst.	58.7	63.2	−0.2	9.57
Income Fund	77.5	83.3	−0.1	7.29
Ins. Agencies	14.32	15.28	−0.02	4.15
Intl. Exempt Fd.	95.1	102.8	.....	6.89
Intl. Tst. (Acc.)	32.4	34.8	.....	1.23

Gibbs (Antony) Unit Tst. Mgs. Ltd. (a)
3 Frederick's Pl., Old Jewry, EC2 01-588 4111

Extra Income	29.8	32.4	.....	9.60
Income	43.0	46.8	.....	8.80

INSURANCE & PROPERTY BONDS

OFFSHORE & O'SEAS FUNDS

NOTES

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

Interest Due		Stock	Price £	Last xd	Yield Int.	Yield Red.
		"Shorts" (Lives up to Five Years)				
1M	1N	Treasury 10½pc '79‡‡	£99½	26.3	10.54	13.30
15M	15N	Electric 3½pc '76-79	98⅝	9.4	3.55	13.41
3M	3S	Treasury 9pc 1980‡‡	98⅛	30.7	9.17	13.30
3S	3M	Treasury 9½pc '80‡‡	97⅝	9.4	9.73	13.22
15O	15J	Treasury 3½pc '77-80	94⅛	9.5	3.72	11.88
15D	15J	Funding 5¼pc '78-80‡‡	95⅛	9.5	5.52	12.18
25M	25N	Exchequer 13pc 1980‡‡	99¹⁵⁄₁₆	18.4	13.00	12.92
15J	15Ja	Treasury 11½pc 1981‡‡	98⅝	8.6	11.66	12.55
15A	15F	Treasury 3½pc 1979-81	92⅝	9.7	3.78	9.36
1O	1A	Treasury 9¾pc 1981‡‡	96⁵⁄₁₆xd	28.8	10.12	12.47
12D	12J	Exch. 8¼pc 1981	93½	8.5	8.82	12.46
4F	4A	Exch. 9½pc 1981	95⅛	28.6	9.98	12.43
21F	21A	Exch. 3pc 1981	89¾	16.7	3.34	8.89
17M	17N	Treas. Variable '81‡‡	97⅝	10.4	14.18	15.11
23M	23N	Exch. 12¾pc 1981‡‡	100⅜	17.4	12.70	12.48
15J	15Ja	Treas. 8½pc '80-82‡‡	92⁷⁄₁₆	8.6	9.19	12.28
15A	15F	Treasury 3pc '82‡‡	87¼	9.7	3.44	9.04
16S	16M	Treasury 14pc '82‡‡	103⅜xd	10.8	13.54	12.40
15D	15J	Treas. Variable '82‡‡	96¼	9.5	14.39	15.52
5J	5Ju	Treasury 8¾pc '82	91³⁄₁₆	1.6	9.03	11.95
22M	22S	Exch. 9¼pc 1982	92⁷⁄₁₆xd	16.8	10.00	12.32
5Ju	5J	Exch. 8¾pc 1983	91⅜	1.6	9.57	11.95
21A	21F	Exch 3pc '83	82¾	16.7	3.62	8.94
17S	17M	Treasury 12pc 1983‡‡	98¹¹⁄₁₆xd	13.8	12.74	12.43
24M	24N	Treas. Variable '83‡‡	94⅛	17.4	14.71	15.97
18J	18Ju	Treasury 9¾pc '83	92⅛	11.6	10.04	11.83
12J	12D	Exch. 10pc 1983	92⅝	8.5	10.79	12.25
15J	15Ja	Funding 5½pc '82-84‡‡	84¾	8.6	6.48	9.90
20A	20F	Exch. 11¼pc '84	96⅛	—	11.71	12.43
19D	19J	Exch. 3pc 1984	77	—	3.90	9.05
		Five to Fifteen Years				
26M	26S	Treasury 12pc 1984	98¹⁄₁₆xd	20.8	12.20	12.44
22M	22N	Exch. 12½pc 1985	102⅞	17.4	12.38	12.47
10J	10Ju	Treasury 8½pc '84-86‡‡	91¼	4.6	9.48	10.66
22J	22J	Exch. 13¼pc 1987	104⅞	15.6	12.88	12.62
1N	1M	Funding 6½pc '85-87‡‡	83⅜	26.3	8.03	10.15
26J	26Ja	Treasury 7¾pc '85-88‡‡	85⅛	19.6	9.23	10.68
1J	1Ju	Transport 3pc '78-88	65⅜	25.5	4.63	8.85
22A	22F	Treas 11¾pc '89 £40pd	39⅞	—	12.12	12.45
15A	15O	Treasury 5pc '86-89	68⅝xd	10.9	7.24	9.94
15J	15Ja	Treasury 13pc 1990‡‡	104⅛	8.6	12.76	12.65
15D	15J	Treasury 8¼ 87 90‡‡	82⅝	9.5	10.24	11.43
10J	10Ja	Treasury 11¾pc 1991	96¾	4.6	12.43	12.65
5O	5A	Funding 5¾pc '87-91‡‡	67¾xd	3.9	8.45	10.62
25A	25O	Exch. 11pc 1991	93½	—	12.23	12.65
22J	22Ja	Treasury 12¾pc '92‡‡	101¾	15.6	12.78	12.77
21A	21F	Treasury 10pc 1992	85⅝	16.7	11.78	12.40
25F	25A	Exch. 12¼pc '92	97⅝	19.7	12.64	12.74
14J	14Ju	Treasury 12½pc '93‡‡	100¼	7.6	1.75	12.79
15M	15S	Funding 6pc 1993‡‡	64¼xd	9.8	9.34	11.09
23M	23N	Treasury 13¾pc 1993‡‡	109⅝	17.4	13.06	12.92
1S	1M	Treasury 14½pc '94‡‡	110¾	26.7	13.16	12.93
22F	22A	Exch. 12½pc 1994	98⅞	16.7	12.75	12.79
		Over Fifteen Years				
17M	17N	Treasury 9pc '94‡‡	82¾	10.4	11.34	11.97
25Ju	25Ja	Treasury 12pc '95	96⅝	18.6	12.65	12.75
1N	1M	Gas 3pc '90/95	50¾	26.3	6.04	9.11
21Ja	21J	Exch. 10¼pc 1995	86½	14.6	12.07	12.45
15M	15N	Treasury 12¾pc '95‡‡	104⅛	9.4	12.78	12.76
15S	15M	Treasury 9pc '92/96‡‡	78⅝xd	9.8	11.47	12.04
3N	3M	Treasury 15¼pc '96‡‡	120¼	27.3	13.31	13.07
15N	15M	Exchequer 13¼pc '96‡‡	107¼	9.4	12.90	12.83
1A	1O	Redemption 3pc 1986-96	47⅞xd	28.8	6.25	9.04
22J	22Ja	Treasury 13¾pc '97‡‡	105⅜	15.6	12.85	12.78
21A	21F	Exchequer 10½pc 1997	86⅞	16.7	12.19	12.46
1M	1S	Treasury 8¾pc 1997‡‡	76⅝	26.7	11.47	11.99
1N	1M	Treasury 6¾pc '95-98‡‡	65½	26.3	10.72	11.64
30M	30S	Treas. 15½pc '98‡‡	117⅛xd	24.8	13.17	12.97

Financial

Interest Due		Stock	Price £	Last xd	Yield Int.	Yield Red.
30J	30J	FFI 13pc 1981	99¼	2.7	13.10	13.50
15M	15N	Do. 14pc '79	101	9.4	14.24	—
20J	20D	Do. 14pc '83	103	21.5	13.59	13.03
31 Mr	30 S	ICFC 5½pc Deb. '80-82	83xd	13.8	6.58	11.80
31My	30N	Do. 6¼pc Db. '81-84	80	23.4	8.04	12.30
11J	11J	Do. 10½pc Uns. Ln. '86	94	4.6	11.43	12.40
11J	11J	Do. 11pc Uns. Ln. '88	94	4.6	11.99	12.58
11J	11J	Do. 11¼pc Uns. Ln. '90	97	4.6	12.43	12.70
30 Je	31 D	Do. 7¼pc A Deb. '89-92	66½	4.6	11.30	13.09
31Mr	30S	Do. 7¼pc A Db. '91-94	63½xd	13.8	11.41	13.00
31Mr	30S	Do. 9pc 'A' '91-94	74½xd	13.8	12.08	12.90
28F	31A	Do. 8⅞pc Ln. '92-97	73	16.7	12.16	12.60
—		Do. 12½pc. Uns. Ln. 1992	97½xd	13.8	12.82	12.90

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AUSTRALIAN

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's
—	Acmex	12	—	—	—	—
—	ACM 20c	12	—	—	—	—
—	Bond Corp.	61	—	—	—	—
Nov. Apr.	Bougainville 50 Toea	140	14.5	†Q15c	1.0	5.6
—	BH South 50c	170	9.74	—	—	—
—	Central Pacific	800	—	—	—	—
Oct. May	Conzinc Riotinto 50c.	223	14.5	NQ10c	2.0	2.3
—	Coltus Pacific N.L.	22	—	—	—	—
—	Eagle Corp. 10c	17½	—	—	—	—
—	Endeavour 20c	19½	—	—	—	—
—	G.M. Kalgoorlie $1	115	8.67	Q3c	ϕ	1.3
—	Hapma Gold N.L.	40	—	—	—	—
September	Hampin Areas 5p.	240	13.8	3.5	2.8	2.1
—	Metals Ex. 50c	48	—	—	—	—
Dec. Apr.	M.I.M. Hldgs. 50c	225	16.10	Q17c	ϕ	3.9
—	Minefields Expl.	15	—	—	—	—
—	Mount Lyell 25c	58	—	—	—	—
—	Newmetal 20c	15	—	—	—	—
June Nov	North B. Hill 50c	131	21.5	Q12c	ϕ	4.8
—	Nth. Kalgurli	20	—	—	—	—

TINS

COPPER

MISCELLANEOUS

GOLDS EX-$ PREMIUM

London quotations for selected South African gold mining shares in U.S. currency excluding the investment dollar premium. These prices are available only to non-UK residents.

Feb.	Aug.	Buffels R1	$19⅞	2.1	Q200c	ϕ	12.5
Aug.	Feb.	East Drie R1	$14½	2.7	†Q115c	1.6	9.6
Aug.	Feb.	East Rand Prp. R1	$10¾	2.7	†Q10c	—	1.1
June	Dec.	F.S. Geduld 50c	$32	30.10	†Q315c	2.4	11.9
June	Dec.	Pres. Brand 50c	$22	30.10	†Q150c	3.2	6.3
May	Nov.	St. Helena R1	$22	26.3	†Q190c	1.4	10.4
Aug.	Feb.	Stilfontein 50c	820c	2.1	†Q66c	1.7	9.7
Aug.	Feb.	Vaal Reefs 50c	$35¼	29.1	†Q280c	2.7	9.9
Feb.	Aug.	West Drie R1	$50	2.7	Q615c	ϕ	14.9
June	Dec.	West Hldgs. 50c	$38½	2.5	†Q415c	1.6	13.1
Feb.	Aug.	Western Deep R2	$18½	29.1	†Q147½c	2.1	9.7

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent. and allow for value of declared distributions and rights. Securities with denominations other than sterling or in EEC currencies are quoted inclusive of the investment dollar premium.

- A Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ϕ Figures or report awaited.
- †† Unlisted security.
- ¤ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and or rights issue: cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- ‡ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ✦ Regional price.
- II No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend. P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1978-79. K Figures based on prospectus or other official estimates for 1978. M Dividend and yield based on prospectus or other official estimates for 1978. N Dividend and yield based on prospectus or other official estimates for 1979. P Figures based on prospectus or other official estimates for 1978-79. Q Gross. T Figures assumed. Z Dividend total to date. §§ Yield based on assumption Treasury Bill Rate stay unchanged until maturity of stock.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xc ex capital distribution.

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REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Albany Inv. 20p	26	......	Sindall (Wm.)	170	......
Bertam	21	......	IRISH		
Bog'wtr. Est. 50p	420xd	......	Conv. 9% '80-82	£86	+¼
Clover Croft	28	......	Nat. 9¾% 84-89	£73⅞	+⅛
Craig & Rose £1	£11½	......	Fin. 13% 97-02	£91¼	+⅜
Dyson (R. A.) A	24	......	Alliance Gas	70	......
Ellis & McHdy	100	......	Arnott	330	......
Fife Forge	50	......	Carroll (P.J.)	57xc	......
Finlay Pkg. 5p	19½	......	Clondalkin	82	......
Graig Ship. £1	390	+5	Concrete Prods.	87	......

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3-month Call Rates

FINANCIAL TIMES

Monday September 17 1979

Call for OECD accounting body

BY MICHAEL LAFFERTY,

THE ORGANISATION for Economic Co-operation and Development should take a leading role in the development of international accounting standards, an inter-governmental working group recommends.

The group's report says that present arrangements for harmonising accounting standards are not satisfactory. It criticises the operating basis of the International Accounting Standards Committee, set up by accounting bodies around the world to promote international accounting standards.

The report, which will be discussed at an OECD meeting in Paris next week, calls for the establishment of a "Permanent Co-ordination Group on International Financial Reporting."

The group would be given "a general mandate for increasing international co-operation and excanging views on matters relating to accounting and reporting standards, with the objective of working towards increased international comparability of accounting standards."

The OECD initiative on international accounting standards is believed to stem from work already under way at the UN. A UN experts' report at the end of 1977 contained detailed standards of accounting and reporting for multinationals which came under heavy fire, particularly in Europe.

Unacceptable

A further UN group has recently been formed, but so far progress has been very slow.

Accountants concerned with the work of the International Accounting Standards Committee are not enthusiastic about the OECD proposals, saying that the involvement of governments in accounting development can only be counter-productive. The international committee has already asked that the OECD should restrict itself to efforts to enforce the committee's standards—a task which is not currently undertaken by anyone.

On this, the report concludes: "While a small number of member countries might be prepared to accept this proposal, the majority regarded as politically unacceptable any suggestion that they or their national standard-setting bodies should be committed in advance to accounting standards to which they had not themselves contributed."

Broader forum

The report says the proposed co-ordinating group would provide "a broader forum than at present exists among OECD countries for discussing and comparing accounting standards, both those which exist and, more importantly, those which are being developed by national standard setting bodies, by the EEC and by IASC."

One of the first tasks the new co-ordinating group might have would be "to explore the possibility of seeking an international consensus on a conceptual framework for accounting standards, a consensus which must precede significant progress on harmonisation."

Public-sector share of output likely to remain unchanged

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE PUBLIC-SECTOR share of expected total output in the next 18 months is likely to show little change from present levels when detailed expenditure plans for 1980-81 are published, probably in six to eight weeks' time.

The result of the Whitehall review is that the volume of public expenditure will be held quite close to this year's expected level, which in turn is roughly the same as last year's expenditure.

But total economic activity is expected to be flat in 1980, so that public spending should remain at about its present share of Gross Domestic Product, about 41 to 42 per cent. It could even rise slightly if the recession is worse than expected.

Treasury Ministers hope that the public sector share of GDP can be reduced from 1981-82 onward, both as a result of a recovery in output and after a real cut in the volume of expenditure.

But details of the later years are still not settled.

The disclosure of the spending plans for 1980-81 is only one of a series of major announcements on economic policy due from the Government within the next two months.

Decisions, for example, must be taken about whether the present monetary target is to be rolled forward a further six months, and about the future of the correct controls on the banks' operations, at present due to expire at the end of the year.

Lengthy discussions are under way in Whitehall about the best way of presenting these decisions in a coherent way, especially as Ministers are concerned to stress as trongly as posible what they ee as the seriousness of the position.

The issue is unresolved, but the most likely option eems that the announcement will be split in two.

A short White Paper may be published at the end of next month, or in November, which includes the spending plans for 1980-81, and short-term monetary decisions and economic forecasts until the end of 1980, which statutorily have to be published in the autumn.

A second White Paper, including the spending plans for 1981-82 and the following years and any medium-term monetary and borrowing targets, would then be published a couple of months later.

Alternatively, the shorter White Paper could include all the economic announcements, with the longer one covering the spending plans.

The obstacle to bringing the two announcements together is that there is a continuing Cabinet debate about the scale of public-sector manpower savings in the early 1980s.

There are also significant differences of opinion in the Treasury about the desirability and form of any detailed medium-term targets for public-sector borrowing and the money supply. Both decisions will take some time.

Work, however, is virtually complete on the 1980-81 plans.

Although expenditure is being held at this year's level in real terms, this has involved cancellation of the increase of just over 2 per cent both this year and next proposed by the Labour Government, as well as offsetting some of the cost of the big rise in public-sector pay.

Spending departments were originally asked to prepare options on the basis either of reductions from previous plans of 7½ per cent, or of the proposals prepared by the Conservatives in Opposition.

But the resulting total was still too high, mainly though not entirely because of public-sector pay rises.

The result was that departments were asked to produce a further £1bn of cuts. Many spending Ministers appear to have been annoyed by this extra request.

Left may bring Labour battle to constituencies

BY RICHARD EVANS, LOBBY EDITOR

LEFT-WING activists in the Labour Party are pressing for representatives of local constituency parties to play a full part in the proposed inquiry into Labour's structure and organisation.

The demand was made yesterday by the Labour Co-ordinating Committee. If successful it would probably mean the inquiry would be more Left-dominated than predicted.

The tactic confirms the growing impression of many Labour MPs that the anguished debate over control of the party appears to be going the Left's way. Mr. James Callaghan cannot be as confident as he was of fending off attempts to change significantly the party constitution at next month's Brighton conference.

In a major speech at Swansea on Wednesday the Opposition leader is expected to launch a further appeal for unity, and to argue that Left-wing demands for changes in the procedure for electing a leader, the automatic re-selection of MPs in each Parliament, and control of the drafting of the manifesto should be shelved until the inquiry is concluded next year.

Everything will depend on the attitude of the main unions, because of their block votes. The Transport and General Workers' Union is expected to instruct its delegation this week to support the constitutional reforms, and the vote of the Amalgamated Union of Engineering Workers could be crucial.

Also ominous for Mr. Callaghan is the likely composition of the inquiry into party structure. There is a clear Left-wing majority among the five trade union leaders already chosen. A sub-committee of Labour's NEC formed last week to examine the scope of the inquiry and its party membership is also Left-dominated.

So even if Mr. Callaghan succeeds with trade union help in preventing constitutional changes at Brighton, the Left believes it will succeed in in its aims well before the next election.

The Labour Co-ordinating Committee, composed of Left-wing MPs and activists led by Mr. Michael Meacher, a former junior Minister and Miss Frances Morrell, an aide of Mr. Anthony Wedgwood Benn, wants local constituency parties to have a say in the inquiry equal to the unions.

Mr. Meacher has written to all local parties urging them to press for five representatives to be chosen by ballot and for the constitutional changes to be made at the party conference.

He has also written to Mr. Frank Allaun, chairman of the Labour Party, praising the financial generosity of the trade unions, but arguing that local parties raised just as much money, even though most of it did not appear in the central accounts. They should nevertheless have an equal say on the party's future.

Tractor research project

BY DAVID FISHLOCK

A £1¾ PROJECT to develop a new generation of medium-sized farm tractors in Britain has been agreed between the agricultural engineering industry and the Department of Industry.

It follows studies by the Department last year on how far the UK industry has been losing ground to overseas competitors.

The three-year project is supported by 16 companies—the eight leading UK tractor manufacturers and eight makers of tractor components and farm

The research will be based at the National Institute for Agricultural Engineering at Silsoe, Beds, a Government laboratory mainly funded by the Ministry of Agriculture.

Its aim is to keep Britain in the forefront of design for small and medium-sized tractors. It will explore ideas for a radically new type of tractor for the late 1980s. Companies taking part will pool development from their own factories and the Institute.

The Institute is spending part of its £2.25m annual budget on a small research project on tractor and cultivator performance. It believes the next generation of tractors will be manned for all but a few tasks, and not automatic.

Government economic policies cause sharp CBI divisions

BY PHILIP BASSETT, LABOUR STAFF

SHARP DIVISIONS among industrialists over the impact of the Government's economic policies on business prospects are emerging among resolutions being lodged for the Confederation of British Industry's annual conference at the beginning of November.

Considerable concern is voiced about the high levels of sterling and interest rates, although this will be partially offset at the conference by calls for industry to respond positively to the environment being created by the Government's Budget incentives.

The main complaints are likely to come during the first morning of the conference in Birmingham on November 5 and 6, when the econom'c situation and the Government's relationships with industry will be debated. Subjects covered duding these debates will include energy shortages and pay negotiations.

The conference organisers want the main theme of the two days to be the "challenge for management," and will follow the first two debats with sessions on how industry should cope with new technology and how it should respond to Government policies.

This will set the scene for the second day's debates, which will be taken up with the report of the CBI working party headed by Sir Alex Jarratt of the Reed Grfoup on how the balance of power should be changed between capital and organised labour.

The idea of setting up an employers' strike insurance fund will be considered in this session.

But with seven weeks to go before the conference, it is too early to estimate how much criticism the Government will face over its economic policies.

What is certain is that there will be considerable concern about the level of sterling's impact on exports, although industry's worries have been slightly tempered by the recent fall.

Weather

UK TODAY

DRY and sunny in the south, sunny intervals developing in the north. Some rain in Scotland.

London, S.E., Cent. S., S.W. England, Midlands, E. Anglia, S. Wales, Channel Isles
Dry with sunny intervals. Max. 21C (69F).

E., N.E., Cent. N. England
Mainly dry, sunny intervals developing. Max. 18C (64F).

N.W. England, Lake District, I. of Man, N. Wales, S.W. Scotland, Glasgow
Cloudy with some drizzle. Max. 17C (63F).

Borders, Edinburgh and Dundee, Aberdeen, Cent. Highlands, Moray Firth
Sunny intervals, some rain later. Max. 16C (61F).

N. Ireland, Rest of Scotland
Rain or drizzle at times. Max. 15C (59F).

Outlook: Changeable, but mostly dry in the South.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	S	24	75	L. Plms.	F	24	75
Algiers	C	25	77	Lisbon	S	23	73
Amsdm.	S	15	59	Locarno	S	21	70
Bahrain	S	38	99	London	S	17	63
Barclna.	S	25	77	Luxmbg.	S	13	55
Beirut	S	28	82	Madrid	F	25	77
Belfast	C	15	58	Majorca	S	28	82
Belgrd.	F	14	57	Malaga	F	26	79
Berlin	C	13	55	Malta	S	28	84
Biarritz	S	24	75	M'chester	F	16	61
Bmghm.	S	17	63	Melbne.	C	21	70
Blackpl.	F	16	61	Milan	F	21	70
Bordx.	S	22	72	Mntreal.	S	17	63
Boulgn.	S	15	59	Moscow	C	13	55
Bristol	S	18	64	Munich	S	12	54
Brussels	S	16	61	Nairobi	S	24	75
Budpst.	F	14	57	Naples	F	27	81
B. Aires	S	10	50	Nwcstl.	C	16	61
Cairo	S	30	86	N. York	S	21	68
Cardiff	S	18	64	Nice	S	25	77
Cas'b'ca	F	24	75	Oporto	F	23	73
Cape T.	S	19	65	Oslo	C	12	54
Cologne	S	14	57	Paris	S	17	63
Cophgn.	C	13	55	Perth	F	15	59
Corfu	F	29	84	Prague	F	13	55
Dublin	F	15	59	Reykjvk.	C	7	45
Dbrvnk.	S	19	66	Rhodes	S	27	81
Edinbgh.	F	16	61	Rio J'o	C	22	72
Faro	S	24	75	Rome	S	27	81
Florence	F	23	73	Singapr.	C	31	87
Frankft.	S	15	59	Stckhm.	F	11	52
Funchal	F	24	75	Strasbg.	S	16	61
Geneva	S	16	61	Sydney	F	22	72
Gibrltr.	F	25	77	Tangier	C	24	75
Glasgow	R	12	54	Tehran	S	25	79
G'nsey	S	16	61	Tenerife	F	21	70
Helsinki	R	11	52	Tokyo	C	24	75
H. Kong	S	30	87	Toronto	S	19	66
Innshrk.	S	17	63	Tunis	S	29	[illegible]
Invrnss.	C	14	57	Valencia	S	29	[illegible]
I.o.Man	C	14	57	Venice	S	20	68
Istanbul	R	16	61	Vienna	S	14	57
Jersey	S	16	61	Warsaw	R	13	55
Jo'burg	S	19	67	Zurich	S	16	61

C—Cloudy. F—Fair. Fg—Fog. R—Rain. S—Sunny. Sl—Sleet.

Manpower shortage hits output

ACUTE AND growing labour shortages are the main reasons for the UK's low industrial output, says a report on manufacturing in the South East out today.

The survey by the London Chamber of Commerce and Industry, is broadly supported by the employers' organisation, the Confederation of British Industry, and by the Manpower Services Commission.

According to the commission, known job vacancies in Greater London in June were at a five-year peak of 62,000, while the total of registered unemployed, at 130,000, was the lowest for four years.

The CBI said it had no figures for the South East but that information from its members also confirmed growing shortages of unskilled and skilled labour, in areas of dense population.

The worst hit sectors, says the London Chamber of Commerce, are clothing, timber, metal goods and electrical engineering.

Its latest trend survey of manufacturing industry, carried out three times a year, states that "a massive 35 per cent of companies reported restrictions on output due to labour shortages during the February to May" period. This compared with 24 per cent of companies in a survey at the beginning of the year.

Lack of demand was cited by 40 per cent of companies as a serious restriction of output.

Labour was particularly scarce in engineering, with 50 per cent of mechanical engineering reporting substantial difficulties in recruiting.

More than half the companies report that investment next year will increase capacity, but this new investment will not necessarily lead to new jobs. Eight per cent of companies say that any new investments made will be at the cost of a reduction in jobs.

Continued from Page 1

Wealth

applied to taxable income of over £20,000 a year.

Within this group roughly 24,000 were liable at the top rate of 98 per cent on their top slice of investment income, after taking account of the 15 per cent surcharge.

These relatively small numbers presumably reflect the large amount of effort devoted to minimusing tax liabilities through, for example, various types of avoidance schemes.

In the June 12 Budget the top marginal rate on earned income was reduced to 60 per cent, though the surcharge was maintained.

The figures show, however, that 666,000 married couples or single people were liable to a marginal rate of more than 50 per cent in 1976-77. This then applied to taxable income of over £6,000 a year.

Inland Revenue Statistics 1979, HMSO £6.

Oil effects Continued from Page 1

monetary targets should not be sacrificed. "Short-term inconsistencies between such fiscal actions and monetary objectives might best be resolved through increases in nominal interest rates, in the expectation that these would subside with reduction in the rate of inflation."

The annual report displays particular concern over the plight of the non-oil developing countries. One remedy, it says, would be for the industrialised countries with payments surpluses to take "all feasible steps" to improve their position as capital exporters and for all industrialised countries substantially to raise their foreign aid.

The oil increases, the IMF finds, have reversed what had been an encouraging trend to greater equilibrium in international paymens. The payments surplus of the oil producing countries, which had dropped to only $6bn last year, will rise to an estimated $43bn in the present calendar year and to over $50bn in the 12 months starting last July.

At the same time the industrialised nations are likely to enjoy a payments surplus of about $10bn this year (against $33bn in 1978) while the non-oil developing countries should see their collective deficit increase from $31bn to $43bn.

The oil price increases will also, it is estimated, add 1½ per cent to the rate of inflation of the oil importing countries and knock between two-thrds and threequarters of a cent off their growth rate, although multiplier effects in some countries could make the impact much worse.

As a group, the industrialised countries should experience a 3 per cent growth this year compared with 4 per cent in each of the two previous years.

Details, Page 3

VSO school service ends

VOLUNTARY Service Overseas says its programme of sending school leavers abroad has been stopped because candidates lacked the skills needed in developing countries.

This new policy is explained in a booklet "VSO in the 1980s: A Policy for Development," issued to mark the organisation's 21st birthday.

THE LEX COLUMN

Interest rates by the car load

On the floor of the Chicago Mercantile Exchange, America's second largest commodities exchange, the local traders wear badges proclaiming "Free markets for free men" and are just as happy trading treasury bill futures as live cattle. On a good day they can turn over the equivalent of a tenth of the free world's annual gold supply and a good part of the U.S. Government's treasury bill issue.

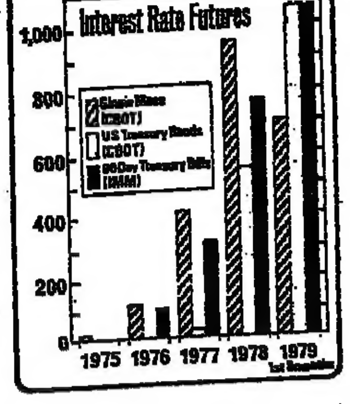
Until this year the established financial community in such places as New York and London either dismissed what was happening in Chicago as outright speculation or completely ignored it. Now, however, there are signs that the financial establishment has woken up to the fact that the Chicago commodities exchanges have hatched a financial revolution the extent of which is only starting to become clear. By offering investors a chance of insuring/hadging their financial risks they are short-circuiting the traditional markets.

To put what has been happening into perspective it is necessary to go back to the early 1970s and the advent of floating exchange rates. Milton Friedman, the Chicago economist, suggested to the Chicago Mercantile Exchange (CME) that individuals should be able to protect themselves against volatile movements in exchange rates just as easily as farmers could use the commodity futures markets to protect themselves against sharp moves in grain prices. Commodity futures trading, he argued, provided an ideal technique for transferring financial risk wherever there was the threat of volatile price movement.

Chicago initiative

The CME responded to Friedman's prompting by establishing the International Monetary Market (IMM) which started trading commodity futures type contracts in several European currencies in 1972. Meanwhile, the CME's larger rival, the Chicago Board of Trade (CBOT) had been mulling over the idea of a futures contract based on the Dow Jones Industrial average. Once again the idea was to use commodity future techniques to give the investor a way of transferring or "laying-off" risks. However, this idea did not take off, although it is once again being studied. Instead, the CBOT launched the Chicago Board Options Exchange — a securities-based options market based on a marriage of commodity futures and securities markets techniques. This has proved outstandingly successful.

The next development was again pioneered by the CBOT—a futures contract based on interest rates. The first contract — Government National Mortgage Association certificates (Ginnie Maes) — has proved very attractive to all sorts of institutions that want to protect themselves against interest rates fluctuations. It was soon followed by a treasury bill futures contract from the IMM (equally successful) and there is now a whole string of futures contracts ranging from commercial paper to long-term bonds.



The phenomenal success of both the options and financial futures markets has not been lost on America's hard-pressed conventional securities markets. Options trading volume has soared from 1.1m contracts in 1973 (the first year of trading) to 57.2m contracts last year, and turnver on the IMM has jumped from 0.3m contracts in 1974 to 5.1m last year. The success has been reflected in the costs of membership of the respective exchanges. The price of a seat on the New York Stock Exchange (NYSE) America's largest stock exchange, has fallen from $335,000 to $125,000 since 1967, while the cost of a seat of the Chicago Board of Trade, America's largest commodity exchange, has risen from $21,000 to $225,000 over the same period.

Rather belatedly the stock exchanges have decided that they should be in the options and futures business if they are to protect their members' interests. The American Stock Exchange (Amex) started trading options in 1975 and last year set up a financial futures exchanges known as Ace which boasts that: "It's not a farmer's market."

So far ACE has not been very successful, but the entry of the NYSE into futures trading could well be another matter. It is planning to open its own specialist financial futures exchange next spring which will offer several currency and interest rate futures contracts. It has recruited the former head of the CBOE and, judging by the amount of money it is spending intends to make a big impact. In addition, the NYSE has indicated that it would like to trade options which has prompted the CBOE to say that it would like to trade in ordinary shares.

The common thread running through all the ideas is that investors would like to quantify and protect themselves against risk and both the options and futures market provide them with a useful tool. When interest rates were more stable and the equity market provided an adequate return there was less need, but the more volatile financial conditions now prevailing in the U.S. have heightened investor awareness of the need for some sort of price protection or insurance.

Pension funds

Not all the financial futures contracts currently being traded or on the drawing boards will be successful but it is already clear that some of the existing contracts are already having an influence on the underlying cash markets and are here to stay. Gold and treasury bills are just two examples.

Investors have found, often to their surprise, that the futures markets are often more liquid than the cash markets. And over time it normally happens that the turnover on a futures market exceeds the turnover in the underlying cash market.

Most of the big Wall Street brokerage houses have decided to become actively involved in these new markets and following the recent joint report of the Federal Reserve and U.S. Treasury (which gave a qualified seal of approval) the big money centre banks are also starting to move in, as are the pension fund managers and the corporate treasurers.

The next big leap forward, planned by the commodity exchanges, is into equity based futures contracts. Again the idea is to offer investors the means of protection against volatile swings in share prices. The long-term implications of moves such as this are far from clear but it seems as if the techniques of commodity trading are rapidly encroaching on those of the stock market. This would have profound consequences not only for the regulation of America's financial markets but also their structure.

The critics of these developments (and there are plenty) view the growth of futures/options trading, based on small margin requirements, as nothing better than gambling that drains investment funds from the traditional markets. However, the futures industry proponents (which includes many academic economists) argue that, whatever happens, financial risks are here to stay and it is the duty of the market place to offer investors a chance to protect themselves.

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